

THE OHIO STATE UNIVERSITY
OFFICIAL PROCEEDINGS OF THE
ONE THOUSAND THREE HUNDRED AND EIGHTIETH MEETING
OF THE BOARD OF TRUSTEES

Columbus, Ohio, March 1, 2002

The Board of Trustees met at its regular monthly meeting on Friday, March 1, 2002, at The Ohio State University Longaberger Alumni House, Columbus, Ohio, pursuant to adjournment.

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Minutes of the last meeting were approved.

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March 1, 2002 meeting, Board of Trustees

The Chairman, Mr. Brennan, called the meeting of the Board of Trustees to order on March 1, 2002, at 10:40 a.m. He requested the Secretary to call the roll.

Present: David L. Brennan, Chairman, James F. Patterson, Zuheir Sofia, Tami Longaberger, Daniel M. Slane, Robert M. Duncan, Karen L. Hendricks, Dimon R. McFerson, Jo Ann Davidson, Kevin R. Filiatraut, and Joseph A. Shultz.

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PRESIDENT'S REPORT

President William E. Kirwan:

Members of the Board of Trustees, one month ago my colleagues and I proposed for your consideration a resource strategy that would enable us to advance our Academic Plan despite the substantial cuts in our state budget. The largest source of funds in this strategy was a \$35 million budget reduction and reprogramming effort now underway. Ed Ray and Bill Shkurti will report on the status of this effort in just a moment.

As another part of our strategy, we proposed a significant additional charge -- \$1,200 -- for new students on top of the nine percent increase already planned and announced for continuing students. The purpose of this additional fee was twofold: first, it would help us address our immediate resource needs. But perhaps even more important for the longer term, it would enable us to reposition Ohio State's tuition to a level more consistent with our mission, with our role as the state's flagship university, and with our aspirations for Ohio State to become one of the nation's finest public teaching and research universities.

We ended our discussion last month with the hope and expectation that an agreement on tuition levels could be reached with Governor Taft, who had expressed concern about tuition proposals by Ohio's public colleges and universities. Earlier this week, the Inter-University Council and Governor Taft did announce an agreement on a set of tuition principles at IUC schools for the next academic year. An agreement, I add, in which Ohio State played a major role.

Consistent with the principles of this agreement, we have amended our proposal to phase in the extra charge for new students over two or three years, rather than implement this charge all in one year. Thus, under the proposal that is before you today, tuition for current students would continue to rise by nine percent. New students, entering school beginning next summer would pay \$5,217 plus an additional \$474 for a total of \$5,691, or an increase of 18.9 percent. That compares with the \$1,200 -- 35 percent increase -- proposed to you on February 1.

Regarding future years, we remain committed to our original plan since our budgetary problems and the need to reposition our tuition remain. Next year, after taking into account the new level of state support, we will propose an additional charge for students entering in Fiscal Year 2004 that will be on top of tuition charged for continuing students. We intend to continue this strategy for the next several years.

Let me make a couple of points regarding where we have come out on this matter. First, I want to thank Governor Taft and the legislative leaders for explicitly recognizing that Ohio State needs special consideration regarding its tuition level. The agreement I referred to grants Ohio State additional flexibility beyond that extended to the other IUC institutions. I also want to thank our state leaders for endorsing our two-tiered approach with regard to our tuition strategy.

PRESIDENT'S REPORT (contd)

President Kirwan: (contd)

Second, we understand the Governor's concern that many Ohio families face difficulties in today's tough fiscal climate and believe phasing in these new student charges over several years will be helpful to them.

Third, I emphasize once more that we remain committed to preserving access and affordability by increasing grants and scholarships to assure that no admitted student is turned away from Ohio State for financial reasons.

This amended proposal means that for Fiscal Year 2003, we will face a substantial cash shortfall of approximately \$6 million. We will address that shortfall through a combination of additional selective spending reductions, additional revenue from other sources, redirection of existing resources, and careful cash flow management.

Bill and Ed will provide you with a complete analysis of how we intend to address this resource shortfall in just a moment.

I should also add a caveat. The tuition levels we have discussed presume no additional state budget cuts this year or next. With this assumption and further belt tightening, the tuition increases we propose will allow us to meet our commitment for faculty and staff compensation next year, enhance our undergraduate programs, and support other selected priorities in the Academic Plan. Any further reduction in state support would prevent us from moving forward with these initiatives and would require us to reconsider our entire tuition strategy.

In sum, implementing this strategy over two or three years rather than one year as we had originally proposed, will allow us to make continued progress toward academic excellence, although not as quickly as we would like and not without additional and painful budget trimming.

There is one final comment I would like to make on the tuition issue. Our students and especially the Undergraduate Student Government, under the outstanding leadership of its president, Eddie Pauline, have been enormously supportive of our efforts. They have worked very effectively, both on campus and down in the Statehouse, explaining and building support for our plans.

Fortunately, not every activity at the University this past month has revolved around questions about tuition and funding, although there have been many days when I thought that was all there was in life. In fact, there were a number of great things happening at Ohio State over the past month, and I'd like to tell you about just a few of them.

For instance, a new report from the Higher Education and National Affairs American Council on Education ranked Ohio State among the top five universities in the nation for granting Ph.D.'s to African Americans. We also rank in the top 20 for granting doctoral degrees to American Indians and Alaskan natives.

I'd like to mention two impressive examples of progress towards the goals of the Academic Plan. A report in today's issue of the *Chronicle of Higher Education* ranks Ohio State twentieth among all universities, public and private, in terms of the number of National Merit Scholars in this past fall's freshman classes. I emphasize that is public and private, so it includes all of the Ivy League schools as well.

PRESIDENT'S REPORT (contd)

President Kirwan: (contd)

Also consistent with our aspirations for academic excellence, we are bringing to the Board today a request for a major faculty appointment. Fred Sanfilippo and his colleagues have succeeded in recruiting another world-class faculty member, Dr. Jay L. Zweier. Dr. Zweier is the chief of cardiology research at Johns Hopkins University, the nation's number one ranked medical school. He has been recruited to head Ohio State's heart and lung research programs. With the Board's approval, he will be named director of the Davis Heart and Lung Research Institute, which unites the work of scientists from a variety of disciplines across the University.

This is a major achievement for our heart and lung program and makes a powerful statement about Ohio State's commitment and determination to develop and foster nationally renowned teaching and research programs. The future of our medical education and research programs is of utmost importance, and Dr. Zweier brings to Ohio State highly-acclaimed talent and leadership that will allow the program's momentum to accelerate. We are very pleased to welcome Dr. Zweier to The Ohio State University.

One of the foremost international events this past month was the Winter Olympics, and Ohio State was very well represented in Salt Lake City. Three Buckeyes performed exceptionally well in the Olympics – two on the snow and ice, and one behind the scenes.

One of our two star athletes at the Olympics was Lea Ann Parsley, an Ohio State Ph.D. candidate in community health nursing and a firefighter in Plain Township in Granville, who won the Olympic silver medal in skeleton. It was truly incredible watching her fly down the ice, headfirst, on that small sled at more than 80 miles an hour. This entire community was right with her all the way. Lea Ann could not be here today, because she is now in Lake Placid training for the national championships.

However, our two other Buckeye Olympians are here this morning and it is my great pleasure to introduce them to the Board. Our behind-the-scenes Olympian was University Police Lieutenant Al Washer. He was one of only 500 officers nationwide and only seven from Ohio to be asked to join the Utah Olympic Police Safety Command. Due in large part to their efforts the Olympics were safe, secure, and smooth for the athletes and the spectators.

Our other Olympic athlete is Emma Laaksonen. Emma is a sophomore business major and a defenseman on the tenth-ranked Ohio State women's hockey team. Emma was a co-captain of the women's hockey team of her native country Finland, and they finished fourth in the Olympics. At Ohio State, Emma was named a scholar-athlete last year, and in February she and teammate Jeni Creary were named as two of the 10 candidates nationwide for the Patty Katzmaier Memorial Award, which is the nation's premier intercollegiate women's hockey award.

Lieutenant Washer and Emma, you and Lea Ann have made us very proud and I know you have some very special memories to treasure for the rest of your lives. On behalf of The Ohio State University, I want to congratulate you on your truly exceptional accomplishments.

Also prominently featured in the national news this week and also making us very proud are two Buckeye graduates. Just days after we celebrated the 40th anniversary of John Glenn's historic space flight, Nancy Currie, Richard Linnehan, and five other astronauts launched aboard the space shuttle *Columbia*

PRESIDENT'S REPORT (contd)

President Kirwan: (contd)

on a mission to install new equipment on the Hubble telescope. Rick Linnehan earned a Doctor of Veterinary Medicine degree at Ohio State in 1985, and Lieutenant Colonel Nancy Currie is an OSU Army ROTC alumna who earned a B.A. degree in biological sciences in 1980. She is showing her Ohio State spirit by carrying with her into space Ohio State's ROTC Battalion flag.

Here on campus a number of our faculty, staff, students, and programs have also received national and local recognition this past month. Linda K. Weavers, assistant professor in the Department of Civil and Environmental Engineering and Geodetic Science, was awarded the highly prestigious Presidential – as in President Bush, not President Kirwan -- Early Career Award for Scientists and Engineers by the National Science Foundation. This is a really impressive award. It only goes to the very best young scientists and engineers in the United States. So it is a great honor for Linda.

Another major award went to Christopher Plass, a researcher in the OSU Comprehensive Cancer Center's molecular biology and cancer genetics program. The Leukemia and Lymphoma Society designated Dr. Plass as one of only 10 Society Scholars this year for his substantial contributions to cancer research. The award carries a salary support of \$100,000 a year for five years.

I'm also pleased to report that Deborah Ballam, professor of Finance, and Sherri Geldin, director of the Wexner Center for the Arts, were among the seven women selected by the YWCA as their 2002 Women of Achievement award winners. As for Ohio State students, two of our best undergraduates, David Lieberman and Ebo Taiwo, have advanced to the final round of the prestigious Truman Scholarship competition. And two more, Surya Parekh and John Nees, are finalists for the Mellon Fellowship. Quite an impressive showing.

Also, today it is with mixed emotions that I announce the retirement of Dr. Manuel Tzagournis, professor emeritus in the Department of Internal Medicine. Manny Tzagournis is an icon at the University and throughout the community. He has had a truly remarkable career at Ohio State as a world-class researcher, an inspiring teacher, and a valued University leader.

Manny formerly served as vice president for Health Sciences and dean of the College of Medicine. Under his visionary leadership, our academic Medical Center developed into a national leader known worldwide for high quality service, outstanding education, and cutting-edge research. Few people, anywhere, have done as much to advance the healthcare profession over the past 20-plus years as has Manny Tzagournis.

For the myriad of us who claim Manny as our personal physician, I am very pleased to report that despite his retirement, which becomes effective today, he will continue to teach and practice medicine.

Finally, I would like to personally and publicly send the family of Mike Moritz our most heartfelt support at this very difficult time. Mike is a true leader in our community, a great, great friend of Ohio State, and a close personal friend of many of us in this room. Our thoughts and prayers are with Mike and his family.

Mr. Chairman and members of the Board, this completes my report.

PRESIDENT'S REPORT (contd)

Mr. Brennan:

I'd like to add my own personal words of congratulations to Dr. Tzagournis. As President Kirwan mentioned, he is the personal physician to many of us here – trustees, administration, faculty, and staff, and, I'm sure, even students. One of the most remarkable things about this remarkable man is he is first, last, and always a family physician. Congratulations, Manny.

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IMPACT OF BUDGET CUTS AND TUITION RECOMMENDATIONS

Provost Edward J. Ray: [Overhead Presentation]

First, I will briefly review the recommendations that we made and discussed at the February Board meeting, and many of the characteristics of that proposal will carry forward. I will also talk about what we are proposing at this meeting, the problems that presents for us to solve, and why we're not going to solve the continuing budget challenge through further cuts to the academic and support programs. Bill Shkurti will then discuss: how the funding gap will be closed and ideas that we have for dealing with that; what the implications of the proposals are that we are bringing forward to you; and how what we are recommending changes our positioning relative to other universities with regard to tuition in-state, with the Big Ten, and with the benchmark universities to which we compare ourselves. Bill will also talk about what we need to do next and then I'll briefly summarize.

You have this material in your book, but it is on the screen as well. To remind you where we were in our discussion when we left off on February 1, we made it very clear that the University recognizes it has a responsibility to serve as an engine for growth for the State of Ohio, and that we can't do that without adequate resources. We brought information to you that identified a \$73 million funding challenge for next year. Also, \$36 million of the \$73 million would be dealt with through program cuts and reallocations, and \$20 million of that \$36 million involved hard cuts in budgets: \$9 million to colleges; \$7 million to support units; and \$4 million to central investment strategic funds.

We also recommended continuing planned increases in tuition for current students that would provide \$24 million in funding, and then an additional \$11 million in funding through the new undergraduate student increase of \$1,200. We indicated at that time that we would do all we could to preserve access and affordability by providing appropriate financial aid support for students, so that no student who is qualified to be here would be barred for economic reasons. You remember we talked about setting aside \$4.4 million of the \$11 million for that purpose.

We talked about our other funding priorities, which we maintain are to provide faculty and staff with adequate compensation and to provide compensation, on average, above what the market rate proves to be going into next year. We also said that we wanted to continue to make improvements in the quality of the undergraduate experience, both inside and outside the classroom. These are key elements of our Academic Plan, and we're committed to continuing to make progress in that regard.

Even after these tuition increases that we talked about, we made it clear that this would position us comfortably in the middle of the Big Ten and our benchmark peer group. It would leave us comfortably within the other Ohio universities that have selective admissions, with respect to tuition.

IMPACT OF BUDGET CUTS AND TUITION RECOMMENDATIONS (contd)

Provost Ray: (contd)

What are we recommending now? And how does that compare and contrast with what we had recommended in February?

For all undergraduates, new and continuing, we recommend a nine percent increase in instructional and general fees beginning Summer Quarter 2002. This would amount to a \$429 increase for the year – from \$4,788 to \$5,217 for full-time undergraduates over the three-quarter academic year. For new students, we recommend an additional \$158 per quarter, or \$474 for the three-quarter academic year. That would represent an instructional fee increase above the nine percent, beginning Summer Quarter 2002, for a total of 18.9 percent.

By new students, we mean undergraduates starting at Ohio State, either on the Columbus or Regional Campuses, in Summer Quarter 2002 or later. Continuing students, means undergraduates starting at Ohio State, either on the Columbus or Regional Campuses, prior to the Summer Quarter 2002.

Current students would be grandfathered from having to pay these differential increases for a four-year period, through FY 2006. As the President mentioned, we anticipate that there will be differential rate increases for new students to be phased in over the next two or three years in order for us to achieve the goals of the Academic Plan.

I want to point out that these recommendations apply only to the Columbus Campus. Recommendations with respect to tuition increases at the Regional Campuses will be brought to you at a later meeting, after they've had time to consult with their advisory boards. Their recommendations will then be brought forward for vetting in the University.

Again, we are committed to providing increased student financial aid to assure that students who are otherwise qualified can afford access to the University. As the President pointed out, these recommendations are based on existing levels of state support. If these levels change, our recommendations may have to be modified.

Where does this leave us financially? It leaves us with an additional \$6 million that we will have to identify through a combination of additional targeted spending reductions, reallocations, and revenue increases in order to bring a balanced budget recommendation to you.

To give you a summary of where the \$6 million problem comes from -- in order to meet the program requirements for FY 2003 -- we talked about a \$73 million problem at the February Board meeting. The modification of that differential for new students from \$1,200 annually to \$474 annually, results in a corresponding reduction of \$2 million needed for financial aid. This was a point that Trustee Davidson brought up at the last meeting. If we were to have a lesser increase in a new student charge, wouldn't that moderate the extent to which we had to provide financial aid? It does, but now Ohio State needs to identify \$71 million in resources for the Columbus Campus. The table that you see, summarizes the sources of that funding that we've identified to date. Again, we had the cuts previously planned of \$20 million and previously planned reallocations and other revenue, which is the other \$16 million of the \$36 million.

Then the previously planned tuition increases of 9 percent for all undergraduate students and 5 percent for graduate and professional students. There is some misunderstanding among professional and graduate students about the base rate increase that we are proposing for them. It is five percent, as it has been for

IMPACT OF BUDGET CUTS AND TUITION RECOMMENDATIONS (contd)

Provost Ray: (contd)

a number of years. That provides \$24 million. Then the additional increase in new undergraduate student charges of \$474 a year, will generate about \$5 million. That gives us a total of \$65 million with our target of \$71 million.

What we need to turn to next is how we would propose to close the gap. I will tell you what we don't recommend and then Bill will get into what we do recommend.

If you look at this next page, what we are reminding you of is that the University and community are already dealing with very real and substantial budget challenges. The adverse impact of the \$20 million in hard cuts, and up to an additional \$16 million, will have to be reallocated or redirected in order for us to try to implement the compensation plan that we've set forth.

If you remember, we told the colleges to be prepared to cut or redirect up to five percent and that corresponds to \$18.8 million. We've asked them to indicate where the money would come from and to what extent it would involve faculty, staff, and student positions for the colleges. These are rough estimates, but looking at the plans that were submitted, we expect that to entail about 241 positions.

For the support units, the up to seven percent to be redirected or reduced from their budgets adds up to \$13.9 million and 185 possible positions. Then in central programs the ten percent adds up to \$4 million and no positions, because these were program enhancement monies that we would have made available to others. Again, if you add that up, the money to be redirected or cut is \$36.7 million.

If you look at the bottom part of that page – of those 299 positions, we believe that 248 are now vacant and 51 are, in fact, filled positions. An effort will have to be made to help relocate people in those positions either inside or outside the University. Then among non-permanent positions -- GA's, temporaries, intermittent workers, lecturers, and casuals -- we think the number there is approximately 127 positions.

So we're talking on the order of 426 positions to be eliminated – this is on head count. Most of these will be done through vacancies. I should say that we began talking about the budget challenge we were facing last spring and, as a consequence of that, most units have held back on filling positions as they became vacant through retirements and other sources of attrition. They have been banking a number of vacancy positions that could be used for budget cutting and redirection purposes.

If we look at the breakdown in terms of faculty, staff, and other, you see that 85 positions identified are faculty, 214 positions are staff, and 127 positions are "other." Again, we think that given the challenge that we've given to the colleges and support units, and to reduce central investments, that we would much prefer to look in other directions before going back to those units for additional cuts to deal with the \$6 million gap.

I'll now turn to Bill to talk about what some of the other ideas are that we have and are working on.

Mr. William J. Shkurti:

Thank you, Ed. As Ed mentioned, we have a \$6 million gap to close for FY 2003. What you have here are some of the things we are thinking about.

IMPACT OF BUDGET CUTS AND TUITION RECOMMENDATIONS (contd)

Mr. Shkurti: (contd)

One of the first items I talked about with the Fiscal Affairs Committee earlier this morning is that Winter Quarter enrollments are up over projections. That would yield another \$1 million in income next year and we think that is a good number to bet on. The problem is that is only a temporary help in a sense. We have that additional money because we have more students, but if we have more students we have to teach more students and provide them services. Although I'd rather be in a situation where our enrollment is going up than down, counting that money to solve our current budget problem needs to be addressed in the long run, and we'll get back to that in a minute.

The next item is to implement the tuition increase Summer Quarter 2002. If you remember, we had actually talked about doing that last month. Last month our budget model was based on a Fall Quarter increase, so the money is still real and it does count, it just means we get it a little sooner.

Next is the non-resident surcharge. These students would pay everything the resident students pays, plus a surcharge of \$8,000. In the base budget model that we showed you in February, it also assumed that those undergraduates from out-of-state would pay everything the in-state students paid, in terms of increasing tuition, and would pay a five percent increase in their out-of-state surcharge. What this says is we are going to add another 2.5 percent on top of that.

Again, as a state institution, our first loyalty is to the sons and daughters of the taxpayers of Ohio. That is a very important part of our enrollment. I would remind you that these out-of-state students enrich the University in a number of ways. First, out-of-state students are very good students or we wouldn't admit them. They help provide a student body that is very well prepared. Second, it is also a way we help meet our diversity goals. Ohio students are exposed to a wide variety of people and they are more comfortable with what a diverse environment they will face as they leave the University. Third, these students help us in a financial sense because we don't receive any state instructional support for out-of-state students. When the state cuts instructional support, it doesn't affect this income source. We want to be careful we don't price ourselves out of the market for our non-resident students. At the same time, we want to recognize that we are a state institution. We think we have the right balance, but we want to be careful.

The next item is something we have been talking about for some time and has not become an issue until recently. We have students enrolled on the Regional Campuses and who take courses on the Columbus Campus. In the past when they did that, we just let it happen because we are all part of the same family. But as the number of Regional Campus students that take courses on the Columbus Campus increases, we think it's only fair for the Columbus Campus to receive those earnings. The students do generate instructional subsidy from the State of Ohio and tuition on the Regional Campuses. So we will charge back to the Regional Campuses for those students who take courses here. The students will not pay an additional amount, this is simply a transfer within the University and the Regional Campuses have been told this is coming.

The final item is to redirect more of our unrestricted gift money to general fund scholarships and I went into more detail on this in the Committee meeting this morning. As a result of the conversion of our accounting system, we are able to better track different accounts and sources that come into the University. We have found that we have a little more unrestricted gift money that we can spend and have been spending. We will redirect this money to general fund

IMPACT OF BUDGET CUTS AND TUITION RECOMMENDATIONS (contd)

Mr. Shkurti: (contd)

scholarships, which will take a little more pressure off the general fund, and allow us to meet our scholarship commitments. We think there is \$1 million in there. So that is \$3.6 million.

You may wonder about the "Still To Be Determined." We do have a number of ideas as to where that money should come from, but we have not had the opportunity to thoroughly vet internally and do our homework on some of these other options. We are convinced that we'll be able to do that and we will report to the Board in subsequent months how we intend to do that.

I would note the disclaimer at the bottom – these numbers are preliminary and subject to change as we refine them. We are confident that we will present, as required by state law, a balanced budget for FY 2003. By the time we ask you to vote on the budget, we will have all of these numbers nailed down.

The next page shows the implications of the recommendations we are making today. As President Kirwan and Provost Ray emphasized, the progress on our academic goals will be maintained, but at a slower pace than we had originally planned in December 2000 or in the February 1, 2002 proposal. But we will get there.

This means the compensation and student financial aid goals will still be accomplished. We will not make additional cuts to academic programs, but it means the rest of the budget is really going to get squeezed. We will have a balanced budget, but it will not be a pretty picture. It will not be painless, but we will get where we need to go.

These recommendations also mean that the contribution to the \$71 million problem from tuition increases is significant -- \$30 million -- but it is less than half of the contribution. I know there is a feeling on the part of some that the University always passes on its problems to the students without really doing anything to itself. But this shows that more than half of the solution of this problem will come internally, either from cuts or redirection of other resources. As the President and Provost have said, the access for academically-qualified students will be maintained through student financial aid and the students will benefit directly as a result. We think we'll still be a unique combination of excellence and affordability.

As the President mentioned, achieving these goals is dependent upon maintaining state support at its existing levels in FY 2002 and FY 2003. There is not a delicate way to say this, but if there are additional cuts, it means all bets are off. We'll have to go back to the drawing board. We certainly hope that doesn't happen, but nobody can guarantee it.

It also means that we do have significant resource gaps that need to be addressed in FY 2004 and beyond. As the President and Provost have mentioned, we need to continue to phase in differential tuition until we are able to achieve our academic goals and until tuition is at a point that is reflective of our unique academic mission.

One of the implications is that OSU will continue to remain affordable. These charts show our tuition compared to where we project. It shows conservatively where tuition will be for resident undergraduates in: the Big Ten; our benchmark institutions, which include the Big Ten and some others; and other selective admission institutions in Ohio. Before the budget cuts started we were in the

IMPACT OF BUDGET CUTS AND TUITION RECOMMENDATIONS (contd)

Mr. Shkurti: (contd)

middle, and at the end of the year we will still be in the middle. I don't think anyone can argue that we are gouging anybody.

What happens next? We will ask you to vote today on the undergraduate tuition levels for the Columbus Campus, so we can tell students we are recruiting what they can expect their tuition to be for next year. At the April Board meeting, we'll discuss the compensation goals in more detail and have some preliminary thoughts on the Regional Campuses' tuition. In May, we will ask you to vote on the compensation plan; in June, we will ask you to vote on all the other tuition and fees the way we normally do; and in July, we will ask you to vote on the complete budget package, which will be a balanced budget.

I will now turn to Ed to summarize.

Provost Ray:

Let me just summarize quickly. We've said all along that a principle commitment to continue to improve the University's academic standing is critical to our students' future and the future of Ohio. We still believe that commitment is absolutely essential and that we have to adhere to that even in the current circumstances of weak state support and weakness in the state economy.

The University has taken significant steps to achieve cost efficiencies and increased revenue from other sources. We've discussed it, touched on it briefly today, and discussed it in more detail at the February meeting. Nonetheless, we have a significant challenge and a significant increase is needed in tuition for the 2003 academic year in order to preserve progress already made and to make additional progress. It is important to underscore that we intend to make additional progress, both with respect to compensation and to the quality of the learning experience inside and outside the classroom for our students.

We believe the strategy we have recommended will limit the burden imposed on current students. Financial aid funds will, in fact, be appropriately adjusted to make sure that qualified students are able to attend Ohio State. Even after these proposed increases, we will still be in the middle of the pack in terms of in-state institutions, the Big Ten, and our benchmark peer institutions.

The additional funds will be used to preserve gains already made in providing progress toward competitive market-level compensation for faculty and staff, and by continuing improvements to student life, inside and outside the classroom, which is so critical to the Academic Plan.

Again, it bears repeating, that the achievement of these goals is based on the assumption that state support will be maintained at the current levels for FY 2002, the current budget year, and for the next budget year, FY 2003. As Bill indicated, significant resource issues remain for FY 2004 and beyond, and this is going to require additional differential increases for new students in future years if we are to achieve the goals of the Academic Plan.

Finally, we believe as we've expressed on many occasions, that Ohio State University, with these changes, will continue to be a great investment for our students and for the people of Ohio.

Thank you, Mr. Chairman. We'd be happy to respond to any questions.

IMPACT OF BUDGET CUTS AND TUITION RECOMMENDATIONS (contd)

Mr. Brennan:

Any questions? Dimon --

Mr. McFerson:

A year ago, we took money out of the Rainy Day Fund. Are we restoring that in this plan this year?

Mr. Shkurti:

Good question, Mr. McFerson. The President and I had that discussion yesterday and we now have a plan to restore the money in the Rainy Day Fund. We still need to have some discussion within the University about how this will be done, because it will come from our own resources. But it would be foolish on our part to continue in this uncertain environment with a depleted Rainy Day Fund. Our Rainy Day Fund is not huge – it is down to \$5 million now, but we want to build it back up to \$10 million before the end of the year if we can. So we do have plans to restore that, although we have not done it yet.

Mr. McFerson:

Okay.

Mr. Brennan:

Any other questions? Jim --

Mr. Patterson:

At our last meeting, the administration recommended the nine percent and the \$1,200 increase to come up with the \$73 million figure that we were trying to approach. A portion of that was to offset financial need from the tuition increase. If I recall your comments, we in fact did not use as much of that set aside as we had planned. With the annual increase being \$474, instead of the \$1,200, you figured that we were going to be at a \$6 million differential. Does that take into account the financial aid set aside in the \$6 million? Or might we make up that \$2.4 million?

Provost Ray:

It does to the extent that we lowered the total figure in terms of the dollars we need from \$73 million to \$71 million, as a direct result of that reduction from the \$1,200 charge to new students to \$474. We think that will reduce the money we need to set aside for student financial aid to ensure access by \$2 million. So we've reduced our estimate of financial aid need by \$2 million, in conjunction with that moving back on the additional charge for new students.

You'll remember last year we said we had set aside a certain percentage and found that we hadn't made a claim on all of it. We'll need to be monitoring that over the course of next year to make sure that first and foremost we have the resources there. We said we needed to guarantee access, but to the extent that resources can be released from that for other purposes. Certainly they'll need to be redirected, but we've already anticipated at least a \$2 million reduction in financial aid needs.

IMPACT OF BUDGET CUTS AND TUITION RECOMMENDATIONS (contd)

Mr. Brennan:

Another way of saying that is that you have an \$8 million shortfall, of which \$2 million is being made up by not raising the financial aid.

Provost Ray:

That is another way of looking at it. It is \$2 million we didn't add to our cost by going up higher.

Mr. Shkurti:

Mr. Chairman, I want to make this point, because I think it is extremely important. I hope none of the members of the media here report that we are cutting financial aid, because we are not. We are reducing financial aid proportionally to the need as a result of reducing tuition.

Provost Ray:

We are reducing the increase in financial aid that we're going to make available, because we don't need to augment it quite as much.

Mr. Brennan:

Recognizing the media always fully reports everything we say -- our financial aid is very substantial now is it not, Bill?

Mr. Shkurti:

That is correct. For example, built into these numbers is an assumption for the nine percent and that we will channel 20 percent of that to increase student financial aid. Then for the differential for new students, we will channel 40 percent of that to student financial aid. That is very generous.

Mr. Brennan:

Of all the tuition that we raise, a very substantial percentage -- 20 or 25 percent -- currently goes for financial aid. Does it not?

Mr. Shkurti:

That is correct.

Provost Ray:

Yes, it does. The figures we talked about in earlier conversations is that we provide \$32 million in financial aid. The original proposal would have taken that to \$39 million, and now we are talking about \$37 million. So we are talking about real growth in financial aid.

Mr. Brennan:

Good. I think those are useful numbers to have emphasized. Kevin --

Mr. Filiatraut:

We heard earlier in the Student and Educational Affairs Committee about the effect this will have on the student experience at Ohio State. I'm curious about

IMPACT OF BUDGET CUTS AND TUITION RECOMMENDATIONS (contd)

Mr. Filiatraut: (contd)

graduate assistants. Provost Ray, you explained that the way the budget restructuring is planned, that when a graduate assistant's position is cut, the college would not cover the person's fee authorization at that point. We saw on the overhead that there are 127 GA's, temps, and intermittent positions that have been or will be cut. How many GA's do you think this will happen to where they will now have to cover their own fee authorization?

Provost Ray:

These things really come in a couple of ways. We don't give fee authorizations or GA appointments to students who aren't either on a fellowship, have earned it through merit, or who are providing some service to the department. So my expectation is that GA reductions are actually going to be small, because these people are involved in recitation classes, some classroom instruction, or in administrative help or working on research projects.

Reducing GA appointments not only means that you lose the effort that they are providing in exchange for the fee authorization, but to the extent that it involves new student GA appointments or the loss of continuing students then, in fact, the tuition itself is lost anyway and the subsidy for those students would be lost as well.

I think there are built-in incentives for the programs themselves to be protective of GA appointments. I can assure the Board that I've received the plans from all of the colleges. I will be talking to deans in areas where they've indicated there might be a number of GA appointment eliminations, to make sure that they are being attentive to our need to protect our doctoral programs and support our graduate students. So we will have some pointed conversations.

Mr. Shultz:

Dr. Ray, you spoke before about the faculty compensation that we'll get from the additional revenues from tuition increases. Can you explain what other increases or benefits there will be to the undergraduate student experience from these tuition increases?

Provost Ray:

Joe, the faculty and staff compensation increases aren't going to come from the tuition increases. You remember we talked about the college and support area plans, and that \$20 million of the \$36 million raised through those plans will go to meet the budget reduction. The other \$16 million is about redirecting resources to help with that compensation target. So a lot of the compensation target that we're trying to meet is coming through our own redirected or reallocated resources, not through additional tuition charges on our students.

In terms of the things that we anticipate doing to help the student experience are the things that we talked about last year that we want to continue. We want to increase the number and the quality and preparation of academic advisors and counselors that we hire. We want to provide money to programs on a targeted basis to hire faculty in high demand areas, so that we can minimize the number of closeouts within majors. We will target money for closeouts and bottleneck courses that are critical for students to get from one part of their curriculum to the next.

IMPACT OF BUDGET CUTS AND TUITION RECOMMENDATIONS (contd)

Provost Ray: (contd)

We will use monies in very targeted ways to make sure that on the learning side we do everything we can to expedite time to graduation for students. On the support side, we are having very focused discussions about which student services and support activities we have to make sure we preserve and enhance. As I said, academic advising and counseling are two examples of it, but there are a number of other things as well that we will be looking into.

Mr. Brennan:

Any other questions?

(See Appendix XXVI for background information, page 883.)

FY 2002-2003 TUITION INCREASE

Resolution No. 2002-84

Synopsis: Instructional and General fees for undergraduate students enrolled at the Columbus Campus for Fiscal Year 2002-2003 are proposed.

WHEREAS the Board of Trustees of The Ohio State University supports the tuition strategy and recommendations presented at their February 1, 2002, meeting as critical to providing the resources necessary for the University to implement the Academic Plan and meet the needs of Ohio State University students; and

WHEREAS in recognition of the concerns raised about the economic difficulty many Ohio families now face, the Board supports modification of those recommendations to phase in the additional fees for new entering students at the Columbus Campus over the next two or three years; and

WHEREAS the Board anticipates it will be necessary to charge new entering students additional fees beyond those charged for continuing students for each of the next two or three years until the tuition plan is fully implemented; and

WHEREAS the tuition rates to be adopted are specifically based on the current level of State support and could be modified if State support for higher education is either increased or decreased; and

WHEREAS consultations continue to take place with regard to professional college, regional campus and nonresident fees and those fees will be determined as a part of the regular FY 2002-03 budget process:

NOW THEREFORE

BE IT RESOLVED, That Instructional and General Fees for all undergraduates enrolled at the Columbus Campus be increased by 9.0% (\$143 per quarter) for Fiscal Year 2002-03, beginning Summer Quarter 2002; and

BE IT FURTHER RESOLVED, That Instructional and General Fees for all new undergraduates enrolled at the Columbus Campus be increased by an additional \$158 per quarter for Fiscal Year 2002-03, beginning Summer Quarter 2002.

Upon motion of Ms. Hendricks, seconded by Judge Duncan, the Board of Trustees adopted the foregoing resolution by unanimous roll call vote, cast by Messrs. Brennan, Patterson, Sofia, Slane, McFerson, and Judge Duncan, Meses. Longaberger, Hendricks, and Davidson.

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INTER-PROFESSIONAL STUDENT GOVERNMENT REPORT

Mr. Todd Armen:

Good morning. I would like to thank you for the opportunity to address the Board this morning. I will keep my remarks brief, so you can have an opportunity to ask any questions of the professional students that you might have.

First, the Inter-Professional Council has been working to further integrate professional students into University life by thinking outside of the box, with new approaches to doing this and ways we can change the system and not just keep working within the system. We have also been working with Vice Provost Anderson to bring leadership from the six colleges together to see if there aren't ways that these colleges can work together to improve the academic experience for their students.

Also, I'd like to address how IPC has used the money from the Coca-Cola funds that we were granted a little over a year ago. This current year, we have used \$6,000 of the \$7,000 on the professional development fund. This fund gives students grants for a number of projects including: traveling abroad to do clinical service work; attend national conferences; and deliver papers and presentations at those conferences. The money was even used for one student to represent Ohio State in the Boston Marathon.

We have used \$1,000 this year to support diversity programming. This week was our Diversity Week, and we had minority health and legal issue posters put up all over the six colleges. It will culminate tonight with an event featuring music and food from around the world that will be attended by our students.

Another \$1,000 was used to support service work in order to increase service opportunities for professional students. This included monthly events with Columbus Big Brothers and Big Sisters. We have actually had more students interested in participating in this service opportunity than they had space to accommodate us.

We will also be working with "Christmas in April," and helping to renovate the Dowd School for Homeless Children. Also as a professional student body, we are trying to become one of the largest fundraisers for the Race for the Cure.

We are excited to be working with Kevin Filiatraut and Greg Lestini on creating a Weinland Park Community Center, to increase clinical service learning for professional students. With that project we are looking at the community and seeing what services they need, what services are already in place, and how we can fulfill those needs and work off those services already in place. We are also looking for ways students would receive academic credit for participating in that program and looking for funding avenues.

Finally, we are looking towards the tuition increases this year in a new light. In view of the funding cuts from the state, we are supporting increases that the deans of the six professional schools are proposing. However, we are asking in doing so that they make public to the professional students how that money will be used so we can justify that.

I will be happy to answer any questions you might have for professional students and what your concerns are that we might be thinking about?

Mr. Brennan:

Any questions? Kevin --

INTER-PROFESSIONAL STUDENT GOVERNMENT REPORT (contd)

Mr. Filiatraut:

I asked you this in the Committee meeting earlier, but I'd like for you to reiterate this for the full Board. Today we saw a two-tiered approach to undergraduate tuition. Do you think professional students have been talking about that or considering that at all? If so, do they like it or dislike it?

Mr. Armen:

The two-tiered approach for professional students has not really been discussed. Most professional students realize that Ohio State is currently a bargain in most of their programs. To go elsewhere, they would pay often times \$10,000 - \$15,000 more per academic year. They have been supportive of the two-tiered approach for undergraduate students. Especially since most of our students did attend Ohio State as undergraduates, they realize that these changes are necessary to improve the academic experience.

Affecting any one program trickles down across all academic programs, be it professional, graduate, or undergraduate. But as far as a two-tiered approach for professional students, most professional students realize that they get large increases every year and aren't as concerned with the increase because they live off loans. However, having large debt is a problem. They realize that the value of their degree upon graduation is very important and want their academic programs to be as good as possible. Professional students accept these increases as long as they know how they will be used.

Ms. Hendricks:

Are there guidelines established on how the Coca-Cola money should be spent? Do students apply for that money? Or do you go out and seek places to spend that money?

Mr. Armen:

As far as the endowment money that the student governments have, we were given some brief guidelines when we received the money and some of the money was used to enhance academic experience through our professional development fund. We have to give yearly reports on how we are using that money, but it is really up to the student governments to decide where that money should be spent.

As far as our professional development funding, we have an application process. That is our biggest chunk -- \$7,000 out of the \$9,000, we get every year from that endowment. There are two dates by which students have to apply, and they have to submit a two to three-page application on the project that they want to do -- whether it be traveling abroad or to a conference or bringing in a speaker to campus. We really get a very broad range of requests for that money. We typically fund anywhere from \$100 - \$300 per application. You can see that to get to \$7,000, there are a lot of students that we are touching with that money.

Mr. Brennan:

Any further questions? Thank you very much, Todd.

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EXECUTIVE SESSION

Chairman Brennan:

At this time, I will entertain a motion to go into Executive Session to consider a Personnel Action that is confidential under the *Medical Staff Bylaws*.

Upon motion of Mrs. Davidson, seconded by Mr. McFerson, the Board of Trustees recessed into Executive Session by unanimous roll call vote, cast by Messrs. Brennan, Patterson, Sofia, Slane, McFerson, and Judge Duncan, Mses. Longaberger, Hendricks, and Davidson. [Judge Duncan did not participate in the Executive Session.]

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Mr. Brennan:

The meeting of the Board of Trustees will now reconvene.

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CONSENT AGENDA

President William E. Kirwan:

We have fifteen resolutions on the Consent Agenda today and I would like to ask that #10 be considered in a separate motion. Unless there are any objections, I would like to recommend the following resolutions to the Board:

UNIVERSITY HOSPITALS BOARD APPOINTMENTS

Resolution No. 2002-85

Synopsis: Approval of appointments of University Hospitals Board members is proposed.

WHEREAS the Board of Trustees on November 30, 1979, approved the establishment of a University Hospitals Board; and

WHEREAS the membership of the Hospitals Board was approved on April 4, 1980, and has been subsequently amended; and

WHEREAS that paragraph (D) of Hospitals Board bylaw 3335-93-01 be waived, to allow for the appointment of a citizen member beyond the stated terms; and

WHEREAS there are two citizen members whose terms have expired and three vacant citizen member positions on the University Hospitals Board:

NOW THEREFORE

BE IT RESOLVED, That the following individuals be appointed as citizen members of the University Hospitals Board, effective April 2002 to April 2005:

John F. Havens
Timothy O'Dell
Nancy Petro
Ann I. Wolfe

AMENDMENTS TO THE RULES OF THE UNIVERSITY FACULTY

Resolution No. 2002-86

Synopsis: Approval of the following amendments to the *Rules of the University Faculty* are recommended.

WHEREAS the University Senate pursuant to rule 3335-1-09 of the Administrative Code is authorized to recommend through the President to the Board of Trustees the adoption of amendments to the *Rules of the University Faculty* as approved by the University Senate; and

WHEREAS the proposed changes in the *Rules of the University Faculty* were approved by the University Senate on February 14, 2002:

Amended Rules

3335-5-19 Faculty.

As used in these rules the term "faculty" shall include persons appointed by the board of trustees with regular, regular clinical, auxiliary, and emeritus faculty titles on full- or part-time appointments, with or without salary.

(A) through (C) unchanged.

- (D) "Emeritus faculty": ~~persons who have served the university continuously as regular or regular clinical faculty for at least ten consecutive years~~ who, upon retirement, were recommended by the chair, the dean and the executive vice president and provost for emeritus status. Emeritus faculty may not vote at any level of governance and may not participate in promotion and tenure matters but may have such other privileges as individual academic units or the office of human resources may provide. (B/T 4/4/97, B/T 12/4/98, 4/6/99, B/T 3/1/2002)

3335-9-14 Time of registration and payment of fees; penalties.

(A) and (B) unchanged.

- (C) ~~All fees, including penalties, must be paid on or before the fifteenth day after classes begin each quarter, semester, or session. The university registrar, as the designee of the executive vice president and provost, reserves the right to refuse registration if fees are not paid by the date on which they are due. Individual exceptions to this provision may be made only upon the approval of the executive vice president and provost or designee.~~ (B/T 4/4/97, B/T 12/4/98, B/T 12/6/2001, B/T 3/1/2002)

3335-9-18 Return of fees.*

- (A) Fees (except for the application and acceptance fees) are returnable in part if a student withdraws from the university for any cause other than at the request of the university and if such withdrawal is made within the period of ~~time specified in paragraphs (B), (C), and (D) of this rule~~ established by the executive vice president and provost in cooperation with the appropriate offices, and published by the office of the university registrar. The application fee and the acceptance fee are not returnable irrespective of the reason for withdrawal.

Students dismissed from the university or withdrawing at the request of the university are not entitled to any refund of fees.

AMENDMENTS TO THE *RULES OF THE UNIVERSITY FACULTY* (contd)

Amended Rules (contd)

~~(B)~~ Quarter or session fees will be refunded according to the following schedule:

- ~~(1) From the date on which the fees were paid through the sixth day on which classes are scheduled—full fees less ten dollars.~~
- ~~(2) After the sixth day on which classes are scheduled through the twelfth day on which classes are scheduled—seventy-five per cent of fees paid.~~
- ~~(3) After the twelfth day on which classes are scheduled through the twenty-fourth day on which classes are scheduled—fifty per cent of fees paid.~~
- ~~(4) After the twenty-fourth day on which classes are scheduled—no refund of fees paid.~~

~~(C)~~ Semester fees will be refunded according to the following schedule:

- ~~(1) From the date on which fees are paid through the sixth day on which classes are scheduled—full fees less ten dollars.~~
- ~~(2) After the sixth day on which classes are scheduled through the eighteenth day on which classes are scheduled—seventy-five per cent of fees paid.~~
- ~~(3) After the eighteenth day on which classes are scheduled through the thirty-sixth day on which classes are scheduled—fifty per cent of fees paid.~~
- ~~(4) After the thirty-sixth day on which classes are scheduled—no refund of fees paid.~~

~~(D)~~ Term fees will be refunded according to the following schedule:

- ~~(1) From the date on which fees are paid through the sixth day on which classes are scheduled—full fees less ten dollars.~~
- ~~(2) After the sixth day on which classes are scheduled through the ninth day on which classes are scheduled—seventy-five per cent of the fees paid.~~
- ~~(3) After the ninth day on which classes are scheduled through the twelfth day on which classes are scheduled—fifty per cent of the fees paid.~~
- ~~(4) After the twelfth day on which classes are scheduled—no refund of fees paid.~~

~~(E)~~(B) In order to be eligible for the listed refund, the student's record and account must be free of any administrative hold (see rule 3335-9-16 of the Administrative Code). ~~The student must present to the office of fees and deposits, within the time specified in paragraphs (B), (C), and (D) of this rule, written permission to withdraw, signed by the dean of the student's college and surrender the university-issued identification card.~~

~~(F)~~(C) If exceptional conditions prevent the presentation of the authorization to withdraw at the office of fees and deposits at the proper time, and if the student has not been able to attend classes during this time, the case should be referred for decision to the university registrar or designee.

~~(G)~~ No fees will be returned in case of withdrawal of students until thirty days have elapsed from the date of withdrawal.

~~(H)~~(D) If fees are paid under mistake of law or fact, they are returnable in full.

AMENDMENTS TO THE RULES OF THE UNIVERSITY FACULTY (contd)

Amended Rules (contd)

~~(H)~~(E) Fees are not returnable except as provided in this rule.

NOW THEREFORE

BE IT RESOLVED, That the foregoing amendments to the *Rules of the University Faculty* be adopted as recommended by the University Senate.

DISTINGUISHED SERVICE AWARDS

Resolution No. 2002-87

Synopsis: Approval of eight individuals to receive Distinguished Service Awards is proposed.

WHEREAS the President's Planning Cabinet, upon the recommendation of the Committee on Distinguished Service Awards, nominated and recommends eight individuals for approval by the Board of Trustees to receive the Distinguished Service Award at a time convenient to the University and the recipients:

Jane Fawcett-Hoover
George Hairston
Richard M. Hill
Joan R. Leitzel
Charles Lifer
Curtis J. Moody
Barbara Trueman
Richard I. Wells

WHEREAS these awards are given in recognition of distinguished service to The Ohio State University and the awards are in accordance with action taken by the Board of Trustees in 1952:

NOW THEREFORE

BE IT RESOLVED, That the Distinguished Service Awards be approved for awarding as designated above.

DEGREES AND CERTIFICATES – WINTER QUARTER COMMENCEMENT

Resolution No. 2002-88

Synopsis: Approval of Degrees and Certificates for Winter Quarter is proposed.

WHEREAS pursuant to paragraph (E) of rule 3335-1-06 of the Administrative Code, the Board has authority for the issuance of degrees and certificates; and

WHEREAS the faculties of the colleges and schools shall transmit, in accordance with rule 3335-9-29 of the Administrative Code, for approval by the Board of Trustees the names of persons who have completed degree and certificate requirements:

NOW THEREFORE

DEGREES AND CERTIFICATES – WINTER QUARTER COMMENCEMENT (contd)

BE IT RESOLVED, That the degrees and certificates be conferred on March 22, 2002, to those persons who have completed the requirements for their respective degrees and certificates and are recommended by the colleges and schools, and that the names of those persons awarded degrees and certificates be included in the minutes of this meeting.

PERSONNEL ACTIONS

Resolution No. 2002-89

BE IT RESOLVED, That the personnel actions as recorded in the Personnel Budget Records of the University since the February 1, 2002 meeting of the Board, including the following Appointments, Appointments/Reappointment of Chairpersons, Leave of Absence Without Salary, Professional Improvement Leaves, and Emeritus Titles, as detailed in the University Budget be approved; and

BE IT RESOLVED, That rules 3335-1-03 (R) and 3335-3-35 of the Administrative Code be waived, to allow for an appointment of a five-year term for Jay L. Zweier as Director of The Dorothy M. Davis Heart and Lung Research Institute; and

BE IT FURTHER RESOLVED, That the Medical Staff Appointments (The Ohio State University Medical Center and The Ohio State University Hospitals-East) approved December 13, 2001, and January 24, 2002, by The Ohio State University Hospitals Board, be ratified.

Appointments

Name: ELECTRA D. PASKETT
Titles: Professor (The Marion N. Rowley Designated Chair in Cancer Research) and Associate Director of Population Sciences
School/Center: Public Health/Comprehensive Cancer Center
Term: January 1, 2002, through December 31, 2005
Present Position: Associate Professor, Department of Public Health Sciences, Epidemiology, Wake Forest University, School of Medicine; Director, Education Program, Nationally Designated Women's Health Center of Excellence; and Program Director, Cancer Control Program, Comprehensive Cancer Center, Winston-Salem, NC

Name: JAY L. ZWEIER
Titles: Director and Professor (The John H. and Mildred C. Lumley Chair in Medicine)
Institute/Department: The Dorothy M. Davis Heart and Lung Research Institute/Internal Medicine
Term: July 1, 2002, through June 30, 2007
Present Position: Professor and Chief of Cardiology Research, Department of Medicine, Divisions of Cardiology and Pulmonary Medicine, The Johns Hopkins University School of Medicine

Appointment of Chairpersons

February 1, 2002 through June 30, 2005

Veterinary Biosciences

Michael D. Lairmore

February 14, 2002 through June 30, 2004

Anesthesiology

Michael B. Howie

PERSONNEL ACTIONS (contd)

Appointment of Chairpersons (contd)

July 1, 2002 through June 30, 2006

Psychology

Gifford Weary

Reappointment of Chairperson

July 1, 2002 through June 30, 2005

Radiology

Dimitrios G. Spigos

Leave of Absence Without Salary

CRAIGE ROBERTS, Associate Professor, Department of Linguistics, effective Autumn Quarter 2002, Winter Quarter and Spring Quarter 2003, for personal reasons.

Professional Improvement Leaves

ROBERT S. BILLINGS, Associate Professor, Department of Psychology, effective Autumn Quarter 2002, Winter Quarter and Spring Quarter 2003.

ANNE B. MCCOY, Associate Professor, Department of Chemistry, effective Winter Quarter and Spring Quarter 2003.

Professional Improvement Leaves – Cancellation

CYNTHIA B. DILLARD, Associate Professor, School of Teaching and Learning, effective Spring Quarter, Summer Quarter, and Autumn Quarter 2001.

JACQUELINE J. GARGUS, Associate Professor, Austin E. Knowlton School of Architecture, effective Autumn Quarter 2001.

Emeritus Titles

MANUEL TZAGOURNIS, Department of Internal Medicine, with the title Vice President and Dean and Professor Emeritus, effective March 1, 2002.

BERNARD J. HAMROCK, Department of Mechanical Engineering, with the title Professor Emeritus, effective April 1, 2002.

JEAN S. OPLIGER, Agricultural Technical Institute (Science and Business), with the title Associate Professor Emeritus, effective April 1, 2002.

CAROL J. BININGER, College of Nursing, with the title Assistant Professor Emeritus, effective April 1, 2002.

EDWARD L. SMITH, Ohio State University Extension, with the title Assistant Professor Emeritus, effective March 1, 2002.

Medical Staff Appointments (The Ohio State University Medical Center)

December 2001

Arthur P. Bertolino, M.D., Ph.D., Internal Medicine, Attending, 12/13/2001-06/30/2003

Udayan Y. Bhatt, M.D., Internal Medicine, PGY7 Limited, 12/13/2001-06/30/2003

Mohammed F. Edwards, M.D., Anesthesiology, Attending, 12/13/2001-06/30/2003

Chimene W. Fikkert, D.O., Pediatrics, Attending, 12/13/2001-06/30/2003

PERSONNEL ACTIONS (contd)

Medical Staff Appointments (The Ohio State University Medical Center) (contd)

December 2001 (contd)

John W. Goulart, D.O., Surgery, PGY4 Limited (rotating), 01/01/2002-01/31/2002
John E. Hohmann, M.D., Anesthesiology, Attending, 12/13/2001-06/30/2003
Ronald Lakatos, M.D., Orthopaedic Surgery, Community Affiliate Physician, 12/13/2001-06/30/2003
Terry L. Lester, M.D., Internal Medicine, Attending, 12/13/2001-06/30/2003
Joel L. Mayerson, M.D., Orthopaedic Surgery, Attending, 12/13/2001-06/30/2002
Matthew J. Morrison, M.D., Pediatrics, Attending, 12/13/2001-06/30/2002
Anand Ramachandran, M.D., Ophthalmology, Attending, 12/13/2001-06/30/2002
Dale R. Richards, D.O., Psychiatry, Courtesy, 12/13/2001-06/30/2002
Pamela S. Ro, M.D., Pediatrics, Courtesy, 12/13/2001-06/30/2002
Chittoor B. Sai-Sudhaker, M.B.B.S., Surgery, Fellowship 1st Year, 07/01/2001-06/30/2002
Namita Sood, M.D., Internal Medicine, Attending, 11/19/2001-06/30/2002
Marcia M. Starns, P.A.-C, Surgery, Licensed Healthcare Professional, 12/13/2001-06/30/2002
Thomas E. Taylor, P.A.-C, Orthopaedic Surgery, Licensed Healthcare Professional, 12/13/2001-06/30/2002
Lawrence A. Wetterau, M.D., Pediatrics, Attending, 12/13/2001-06/30/2002

Requests for Additional/Special Privileges (The Ohio State University Medical Center)

December 2001

Mark W. Arnold, M.D., Surgery, Attending, Moderate Sedation
Amer Rajab, M.D., Ph.D., Surgery, Attending, Laparoscopic and Thoracoscopic Surgical Procedures
Namita Sood, M.D., Internal Medicine, Attending, Right Heart Catheterization and Acute Vasodilator

Medical Staff Appointments (The Ohio State University Medical Center)

January 2002

Mary M. Dobyns, M.D., Psychiatry, Attending, 01/24/2002-06/30/2003
Najwa E. El Dahdah, M.D., Pediatrics, Courtesy, 01/24/2002-06/30/2003
Linda J. Fisher, C.R.N.A., Anesthesiology, Licensed Healthcare Professional, 01/24/2002-06/30/2003
Gwyn R. Londeree, M.D., Internal Medicine, Attending, 01/24/2002-06/30/2003
Kendrick D. McArthur, D.O., Surgery, PGY4 Limited (Rotating Resident), 02/01/2002-02/28/2002
Lawrence H. Mendel, D.O., Family Medicine, Community Affiliate Physician, 01/24/2002-06/30/2002

Medical Staff Appointments (The Ohio State University Hospitals East)

November 2001

Syed S. Ali, D.O., M.S., M.B.B.S., Surgery, PGY1 Limited, 11/19/2001-06/30/2003
Darrin L. Bright, M.D., Family Medicine, Active, 11/19/2001-06/30/2003
Rebecca J. Bruner, M.D., Internal Medicine, Limited, 11/19/2001-06/30/2003
Shalva V. Kakabadze, M.D., Family Medicine, Active, 11/19/2001-06/30/2003
Carolyn D. Lugannani-Guarino, M.D., Family Medicine, Active, 11/19/2001-06/30/2003
Richard F. Maier, Jr., D. O., Anesthesiology, Active, 06/08/2001-06/30/2002
Sachida N. Manocha, M.D., Anesthesiology, PGY2 Limited, 11/19/2001-06/30/2002
Steven M. Nash, M.D., Internal Medicine, Active, 11/19/2001-06/30/2002
Patrick A. Pasion, D.O., Anesthesiology, PGY2 Limited, 11/19/2001-06/30/2002
Stephen M. Pickstone, M.D., Internal Medicine, Active, 11/19/2001-06/30/2002

PERSONNEL ACTIONS (contd)

Medical Staff Appointments (The Ohio State University Hospitals East) (contd)

November 2001 (contd)

Milton I. Setnar, D.O., Internal Medicine, Courtesy, 11/19/2001-06/30/2002
Mark A. Williard, M.D., Internal Medicine, Active, 11/19/2001-06/30/2002

December 2001

Kenneth O. Cayce, M.D., Family Medicine, PGY1 Limited, 12/17/2001-06/30/2003
Mirela Crisan, M.D., Family Medicine, PGY1 Limited, 12/17/2001-06/30/2003
Joel L. Mayerson, M.D., Orthopaedic Surgery, Active, 12/17/2001-06/30/2002
Chittoor B. Sai-Sudhaker, M.B.B.S., Surgery, Limited (Fellow), 12/17/2001-06/30/2002
Paul M. Shearer, D.P.M., Podiatry, Active, 12/17/2001-06/30/2002
Marcia M. Starns, PA-C, Surgery, Allied Health, 12/17/2001-06/30/2002

Request for Change of Medical Staff Status (The Ohio State University Hospitals East)

December 2001

William F. Emlich, Jr., D.O., Internal Medicine, Courtesy to Active, 12/17/2001-06/30/2003
Joel R. Politi, M.D., Orthopaedic Surgery, Courtesy to Active, 12/17/2001-06/30/2002

Medical Staff Appointments (The Ohio State University Hospitals East)

January 2002

Robert R. Brightwell, D.O., Surgery, Active, 01/24/2002-06/30/2003
Edward T. Humbert, D.O., Orthopaedic Surgery, Active, 01/24/2002-06/30/2003
Matthew R. Karlen, M.D., Radiology, PGY2 Limited, 01/24/2002-06/30/2003
David S. Passerini, M.D., Radiology, PGY2 Limited, 01/24/2002-06/30/2002
Anna A. Petrova, M.D., Family Practice, PGY1 Limited, 01/24/2002-06/30/2002
Anand Ramachandran, M.D., Ophthalmology, Active, 01/24/2002-06/30/2002
Sushil Sethi, M.D., Surgery, Courtesy, 01/24/2002-06/30/2002
Jonathan G. Wash, D.P.M., Podiatry, Active, 01/24/2002-06/30/2002

RESOLUTIONS IN MEMORIAM

Resolution No. 2002-90

Synopsis: Approval of Resolutions in Memoriam is proposed.

RESOLVED, That the Board adopt the following Resolutions in Memoriam and that the President be requested to convey a copy to the families of the deceased.

Nan Arbuckle

The Board of Trustees of The Ohio State University expresses its sorrow upon the death on November 25, 2001, of Nan Arbuckle, Assistant Professor in the Department of English (Lima Campus).

Professor Arbuckle was born July 1, 1952, in Tennessee. She received Bachelor and Master of Arts degrees in English from Middle Tennessee State University and a Ph.D. degree from the University of Oklahoma. She taught at the University of Oklahoma before coming to The Ohio State University in 1985. Professor Arbuckle was an assistant professor in the Department of English and taught at Ohio State – Lima for 16 years.

RESOLUTIONS IN MEMORIAM (contd)

Nan Arbuckle (contd)

Professor Arbuckle was an enthusiastic and dedicated teacher who was devoted to her students and their progress, despite being physically challenged. She was afflicted with rheumatoid arthritis as a youth and had been in a wheelchair since the age of 12. Her teaching and scholarship interests focused on medieval literature, poetry, and the portrayal of the disabled in films.

Nan Arbuckle was an active member of the University community and served on numerous school, college, and University committees, including the Cultural Affairs, Honors, and Affirmative Action committees. She chaired the Regional Campus Faculty Council and served as the director of the Honors Program, the basic writing coordinator for English, and the sponsor of the *Metamorphosis* student writer's group.

On behalf of the University community, the Board of Trustees expresses to the family of Nan Arbuckle its deepest sympathy and sense of understanding of their loss. It was directed that this resolution be inscribed upon the minutes of the Board of Trustees and that a copy be tendered to her family as an expression of the Board's heartfelt sympathy.

Robert J. Fass

The Board of Trustees of The Ohio State University expresses its sorrow upon the death on January 1, 2002, of Robert J. Fass, M.D., Professor in the Departments of Internal Medicine and Molecular Virology, Immunology, and Medical Genetics, and Director of the Division of Infectious Diseases.

Dr. Fass had a distinguished career in the field of infectious diseases. He came to Ohio State in 1967 to complete his internal medicine residency training. He then did fellowship training in infectious diseases. In 1971, he received a master's degree in medical microbiology and joined the OSU medical faculty. He rose to the rank of professor in 1980. In 1987, he became the director of the Division of Infectious Diseases, where he served until his death. In 1991, Dr. Fass was awarded the endowed Samuel Saslaw Professorship in Infectious Diseases and received the Don Unverfurth Award for his academic contributions in 1996.

Dr. Fass was an internationally respected scientist and teacher whose impact on the training of hundreds of medical students, residents, post-doctoral fellows, and graduate students will persist for generations. His assessment and evaluation of complex medical problems provided a model for them to emulate. His critical thinking and broad knowledge will be missed.

Bob Fass was best known for his development of in vitro assays to test microbial susceptibility. His research spanned the field of infectious diseases from laboratory assessment of new antibiotics to clinical trials of these anti-infectives. His contributions facilitated the licensure of clindamycin and ciproflaxacin.

Dr. Fass served as the principal investigator of the OSU AIDS Clinical Trials Unit from its inception in 1987 until his death. This unit is supported by one of the largest NIH-sponsored grants to the University, provides access to new HIV treatments, and has undoubtedly made OSU a contributor to the progress made in dealing with this major health problem.

Dr. Fass wrote more than 130 peer-reviewed publications and served on the editorial board of *Antimicrobial Agents and Chemotherapy*. He was scientifically productive until his death. His most recent publication was in November 2001; another manuscript was published in February 2002.

At the time of his death, Dr. Fass was a member of many professional societies and organizations, including American College of Physicians (Fellow), American Medical Association, American Society for Microbiology, American Thoracic Society, British Society of Antimicrobial

RESOLUTIONS IN MEMORIAM (contd)

Robert J. Fass (contd)

Chemotherapy, European Society of Clinical Microbiology and Infectious Diseases, Inter-American Society for Chemotherapy, Infectious Diseases Society of America (Fellow), and Infectious Diseases Society of Ohio. Within the University, he served on and chaired numerous committees and assessment entities throughout his Ohio State career.

On behalf of the University community, the Board of Trustees expresses to the family of Dr. Robert J. Fass its deepest sympathy and sense of understanding of their loss. It was directed that this resolution be inscribed upon the minutes of the Board of Trustees and that a copy be tendered to his family as an expression of the Board's heartfelt sympathy.

Paul L. Gerstner

The Board of Trustees of The Ohio State University expresses its sorrow upon the death on January 28, 2002, of Paul L. Gerstner, Assistant Professor Emeritus in the Ohio State University Extension.

Mr. Gerstner was born August 6, 1935, in Kossuth, Ohio. He received a Bachelor of Science degree in animal science from The Ohio State University in 1957 and a Master of Science degree in animal nutrition from The Ohio State University in 1959.

Paul Gerstner began his Extension career in Ohio on July 1, 1958, as the County 4-H Agent in Preble County. On April 1, 1969, he became the agricultural agent in Preble County. He held this appointment until his retirement on March 31, 1982.

During his career with Extension he served as the Preble County Chair as well as being on numerous committees including the Beef Committee, Preble County Swine Committee of the Pork Producers Association, Pork Festival Committee, and Miami Valley Regional Planning Committee. He received the National Association of County Agricultural Agents Achievement Award, as well as serving on numerous local committees and being active in community organizations.

These contributions in providing excellent Extension educational programs during his career earned him the respect and admiration of coworkers and associates throughout the state.

On behalf of the University community, the Board of Trustees expresses to the family of Paul L. Gerstner its deepest sympathy and sense of understanding of their loss. It was directed that this resolution be inscribed upon the minutes of the Board of Trustees and that a copy be tendered to his family as an expression of the Board's heartfelt sympathy.

David S. Goldschmidt

The Board of Trustees of The Ohio State University expresses its sorrow upon the death on December 26, 2001, of David S. Goldschmidt, Clinical Assistant Professor Emeritus in the College of Optometry.

Dr. Goldschmidt graduated from The Ohio State University School of Optometry in 1936. He married Mary C. Kader on June 6, 1937, and opened an optometry practice in Circleville in 1938. He provided vision care to the Circleville community for 55 years until his retirement in 1993. He served in the United States Navy during World War II and was an active reservist for another five years.

He began teaching clinical optometry at Ohio State in 1954 and taught for 29 years until retiring at age 70, at which time he received the first assistant professor emeritus appointment ever given by the College of Optometry.

RESOLUTIONS IN MEMORIAM (contd)

David S. Goldschmidt (contd)

In addition to his professional practice, Dr. Goldschmidt played a very active role in his community in many other ways. He served the Pickaway County Action Committee, the Professional Division of Pickaway County's United Appeal, Easter Seals, Heart Fund Drive, the Chillicothe Hospital Veterans Program, the Boy Scouts, and the Girl Scouts. He was a member of the Jaycees, Kiwanis, Rotary, the American Legion, VFW, the Shrine, and was a member for over 60 years of both the BPO Elks and the Heber Masonic Lodge.

He served on the Circleville City Council and was a director of the local Savings Bank. He was a past exalted ruler of the local Elks lodge and past state president of the Ohio Elks Association. It is no surprise that in 1973 he was selected to receive the coveted Ohio State University Citizenship Award for community service outside one's profession. In 1979, the Circleville Jaycees named him Outstanding Senior Citizen. He was inducted into the Elks Hall of Fame in 1992 and was elected to the office of Grand Tiler of the Grand Lodge of the BPOE in 1993.

Dr. Goldschmidt is remembered for his passion for his profession and for the welfare of others.

On behalf of the University community, the Board of Trustees expresses to the family of David S. Goldschmidt its deepest sympathy and sense of understanding of their loss. It was directed that this resolution be inscribed upon the minutes of the Board of Trustees and that a copy be tendered to his family as an expression of the Board's heartfelt sympathy.

William S. Guthrie

The Board of Trustees of The Ohio State University expresses its sorrow upon the death on January 2, 2002, of William S. Guthrie, former executive dean for Student Relations and former assistant professor of Social Work.

Mr. Guthrie was associated with The Ohio State University in various administrative capacities for 25 years and was a recipient of the University's Distinguished Service Award. He earned two degrees in social work at Ohio State: a Bachelor's degree in 1932 and a Master's degree in 1939. He also studied at Columbia University. Mr. Guthrie joined the University staff in 1936 as assistant dean of men and director of student employment. He became acting junior dean of the College of Arts and Sciences in 1943, junior dean in 1946, and associate dean in 1956. From 1946 to 1957, he also served as director of orientation programs.

In 1957, he was appointed assistant to the vice president for Student Relations, and later that year was named executive dean for Student Relations. He served in that capacity, in the cabinet of President Novice Fawcett, until his retirement from the University in June 1961. As executive dean his areas of responsibility included student housing, orientation, international students, Ohio Union programs, student health, student organizations, student government, athletics, student conduct, counseling and testing services, and scholarship and financial aid.

Dean Guthrie's tenure spanned the Depression, the war years, and the incredible growth period following World War II. He was held in high esteem by students and colleagues and was recognized as a national leader in his field, having led a Ford Foundation study of student housing and served as president of the National Association of Student Personnel Administrators. He was known for his keen interest in students, his fundamental fairness, diplomacy, expertise and compassion. Those who worked closely with him remarked especially on Dean Guthrie's ability to keep open the channels of communication among students, faculty and administrators and "to guide the healthy ferment of student life along lines of lasting progress."

Following his retirement from Ohio State, Mr. Guthrie had a distinguished business career, serving for 17 years as board chairman, president, and chief executive officer of Buckeye Federal Savings and Loan Association. He maintained close ties with the University and held offices in the Alumni Association and the Development Fund. He was a member of the search committee

RESOLUTIONS IN MEMORIAM (contd)

William S. Guthrie (contd)

that nominated Harold Enarson as University president. He was an active member of many community educational, philanthropic, and cultural organizations and the recipient of numerous awards for his service.

On behalf of the University community, the Board of Trustees expresses to the family of William S. Guthrie its deepest sympathy and sense of understanding of their loss. It was directed that this resolution be inscribed upon the minutes of the Board of Trustees and that a copy be tendered to his family as an expression of the Board's heartfelt sympathy.

Franklin M. Ludden

The Board of Trustees of The Ohio State University expresses its sorrow upon the death on January 11, 2002, of Franklin M. Ludden, Professor Emeritus in the Department of History of Art.

Educated at Harvard University, Professor Ludden was first an historian of the U.S. Third Army in the Battle of the Bulge, then a faculty member at the University of Michigan before coming to The Ohio State University in 1955. He subsequently served as chair of the Department of History of Art from 1960-1978. During his tenure as chair, the department saw its largest expansion in faculty and offerings, broadening the specialties from Western to include Asian, Islamic, and African art. He led the way in hiring faculty from a variety of the best American graduate programs. He was influential in making the OSU Fine Arts Library one of the best in medieval art in the Big Ten.

He was a prolific and versatile teacher of medieval art and architecture, modern architecture, research methodologies, historiography, and theory. He was also one of the guiding forces behind the founding of OSU's Center for Medieval and Renaissance Studies and of the private faculty research club, the ZERO Club; until the very end of his life he was a regular lunch member of the Faculty Club. With his wife Gillie, he participated in the cultural life of Columbus in such organizations as the Columbus Museum of Art and the Crichton Club.

Since his retirement in 1983, he remained remarkably active in teaching the historiography course, and later in giving guest lectures on Panofsky's work. He continued to direct several dissertations in medieval art and modern architecture and advised many recent graduate students, providing useful tips on bibliography and interpretations.

Another lasting contribution to the History of Art Department was made by Franklin and Gillie in 1986, with their generous gift of the Ludden Lecture Series in Western Art. This lecture series brings to Ohio State some of the foremost intellectually alive art historical thinkers and theorists, and was the stimulus for creating a new faculty position in theory in 1990.

Until his last months he remained actively involved in the intellectual and social life of art history and of The Ohio State University. At the most recent Ludden Lecture last fall, which appropriately was given by David Rosand on the topic of a great art historian, Meyer Schapiro, who like Franklin Ludden devoted his research to both medieval and modern art, Franklin was delightedly involved in the discussion and talk after the lecture and during the dinner.

For many of us as his colleagues and for his students as well, Franklin Ludden will be remembered as one of the most active minds and lively participants in the life of art history, as a conference participant, teacher, traveler, and great conversationalist.

On behalf of the University community, the Board of Trustees expresses to the family of Franklin M. Ludden its deepest sympathy and sense of understanding of their loss. It was directed that this resolution be inscribed upon the minutes of the Board of Trustees and that a copy be tendered to his family as an expression of the Board's heartfelt sympathy.

RESOLUTIONS IN MEMORIAM (contd)

Charles M. Martin

The Board of Trustees of The Ohio State University expresses its sorrow upon the death on November 1, 2001, of Charles McClellan Martin, Professor Emeritus in the Ohio State University Extension and the Department of Animal Sciences.

From 1943-46, Charles Martin was a first lieutenant in the U.S. Army Corps of Engineers serving the Asiatic-Pacific theatre. He earned a Bachelor of Science degree with "High Distinction" in animal husbandry from the University of Kentucky in 1948, a Master of Science degree in animal nutrition from the University of Kentucky in 1949, and a Ph.D. degree in animal husbandry from Cornell University in 1952.

Professor Martin joined the faculty of The Ohio State University in 1965 as associate professor in the Ohio State University Cooperative Extension Service. He was the area extension agent – animal industry in the Wooster area. In 1970 he was promoted to professor and his assignment was changed to district specialist – animal industry in 1984. Dr. Martin was also a member of the faculty in the Department of Animal Sciences. He retired in 1987 and was awarded the title Professor Emeritus.

Dr. Martin's professional experience before coming to The Ohio State University included the following positions: a livestock specialist with the University of Kentucky Extension Service in Eastern Kentucky from 1961-65; a nutritionist with the Agricultural Research Center, Charles Pfizer and Company, Inc., at Terre Haute, IN, from 1959-61; a livestock specialist and later a district sales manager with the Quaker Oats Company, Chattanooga, TN, from 1956-59; and an associate professor of animal husbandry at Auburn University in Alabama from 1952-56.

Professor Emeritus Charles M. Martin served several parts of the livestock industry with emphasis on adult education throughout his professional career. These contributions in providing excellent Extension educational programs during his career earned him the respect and admiration of coworkers and associates throughout the state.

On behalf of the University community, the Board of Trustees expresses to the family of Charles M. Martin its deepest sympathy and sense of understanding of their loss. It was directed that this resolution be inscribed upon the minutes of the Board of Trustees and that a copy be tendered to his family as an expression of the Board's heartfelt sympathy.

Richard H. Wilson

The Board of Trustees of The Ohio State University expresses its sorrow upon the death on January 2, 2002, of Richard H. Wilson, Professor Emeritus in the Department of Human and Community Resource Development.

Professor Wilson earned his Bachelor of Science degree in agricultural education from The Ohio State University in 1943. He served in the U.S. Army from 1943-47 as a lieutenant in the 97th Infantry Division and was involved in combat leading to the end of WWII in Germany. Thereafter, his unit was transferred to Japan for post-war occupational duty.

Professor Wilson returned to Ohio State, where he earned an M.A. degree in 1951 and a Ph.D. degree in 1955. He served as an instructor in the Department of Agricultural Education from 1953-57; an assistant professor from 1957-1962; an associate professor from 1962-69; and as professor from 1969 until he was awarded the title of Professor Emeritus upon his retirement in 1979.

Throughout his career, Professor Wilson was highly regarded for his professional contributions. His academic specialization was in agricultural teacher education, where he supervised the preparation of student teachers of agriculture in the public schools of Ohio. He was the author of

RESOLUTIONS IN MEMORIAM (contd)

Richard H. Wilson (contd)

articles that were published in The Agricultural Education Magazine and served as editor of the Ohio Vocational Reporter (newsletter of the Ohio Vocational Association) from 1957-63.

Professor Wilson was a member of Alpha Gamma Sigma fraternity. He was also a member of the Ohio Vocational Association (OVA); the American Association of Teacher Educators in Agriculture (AATEA), where he served a term as vice president; and the American Vocational Association (AVA).

In addition to his service at The Ohio State University, Professor Wilson taught as a visiting professor at Michigan State, New Mexico State University, and Clemson University. He also served as a consultant to the National Center for Vocational and Technical Education from 1967-68 and to the University of Rhode Island in 1973-74. He was a member of the National Advisory Board of the Educational Resources Information Center for Rural Education as well.

On behalf of the University community, the Board of Trustees expresses to the family of Richard H. Wilson, its deepest sympathy and sense of understanding of their loss. It was directed that this resolution be inscribed upon the minutes of the Board of Trustees and that a copy be tendered to his family as an expression of the Board's heartfelt sympathy.

REPORT OF RESEARCH CONTRACTS AND GRANTS

Resolution No. 2002-91

Synopsis: The reports on research and other sponsored program contracts and grants and the summary for January 2002 are presented for Board acceptance.

WHEREAS monies are solicited and received on behalf of the University from governmental, industrial, and other agencies in support of research, instructional activities, and service; and

WHEREAS such monies are received through The Ohio State University Research Foundation:

NOW THEREFORE

BE IT RESOLVED, That the research agreement between The Ohio State University and The Ohio State University Research Foundation for the contracts and grants reported herein during the month of January 2002 be approved.

REPORT ON UNIVERSITY DEVELOPMENT

Resolution No. 2002-92

Synopsis: The report on the receipt of gifts and the summary for January 2002 are presented for Board acceptance.

WHEREAS monies are solicited and received on behalf of the University from alumni, industry, and various individuals in support of research, instructional activities, and service; and

WHEREAS such gifts are received through The Ohio State University Development Fund and The Ohio State University Foundation; and

REPORT ON UNIVERSITY DEVELOPMENT (contd)

WHEREAS this report includes the establishment of The Mildred E. Newton Professorship; and

WHEREAS this report includes the establishment of sixteen (16) new named endowed funds and the amendment of one (1) named endowed fund:

NOW THEREFORE

BE IT RESOLVED, That the acceptance of the report from The Ohio State University Development Fund and The Ohio State University Foundation during the month of January 2002 be approved.

TOTAL UNIVERSITY PRIVATE SUPPORT

July through January
2000 Compared to 2001

GIFT RECEIPTS BY DONOR TYPE

	Dollars July through January		
	<u>2000</u>	<u>2001</u>	<u>%Change</u>
Individuals:			
Alumni (Current Giving)	\$20,656,548	\$22,925,456	11
Alumni (From Bequests)	<u>1,615,749</u>	<u>2,630,919</u>	63
Alumni Total	\$22,272,297	\$25,556,375	15
Non-Alumni (Current Giving)	\$15,152,250	\$10,292,270	(32)
Non-Alumni (From Bequests)	<u>9,233,277</u>	<u>2,728,117</u>	(70)
Non-Alumni Total	\$24,385,527	\$13,020,387	(47)
Individual Total	\$46,657,824	\$38,576,762	(17 ^A)
Corporations/Corp/Foundations	\$23,797,477	\$24,020,026	1
Private Foundations	\$10,472,416	\$14,329,142	37 ^B
Associations and Other Organizations	<u>\$2,609,576</u>	<u>\$2,736,754</u>	5
Total	\$83,537,293	\$79,662,684	(5)

NOTES

- A Overall individual giving is down 17% in that gifts at the \$10,000 or more level are down 24% (\$34.8 million from 364 gifts last year compared with \$26.4 million from 334 gifts this year.)
- B Foundation giving at the \$10,000 or more level is up for the first seven months of the fiscal year (\$9.8 million from 127 gifts last year; \$13.7 million from 141 gifts this year).

REPORT ON UNIVERSITY DEVELOPMENT (contd)

TOTAL UNIVERSITY PRIVATE SUPPORT (contd)

July-January
2000 Compared to 2001

GIFT RECEIPTS BY PURPOSE

	Dollars July through January		
	<u>2000</u>	<u>2001</u>	<u>% Change</u>
Gift Receipts to Current Use and Endowment Funds:			
Buildings/Equipment	\$9,443,660	\$14,630,117	55
Faculty Support	\$6,425,802	\$7,883,346	23
Program Support	\$52,775,849	\$42,357,304	(20)
Student Financial Aid	\$8,021,481	\$8,919,226	11
Annual Funds-Colleges/Departments	\$5,990,816	\$5,120,132	(15)
Annual Funds-University	<u>\$879,685</u>	<u>\$752,559</u>	(14)
Total	\$83,537,293	\$79,662,684	(5)

GIFT ADDITIONS TO ENDOWMENT

Dollars
July through January

<u>2000</u>	<u>2001</u>	<u>% Change</u>
\$21,432,320	\$25,022,292	17%

REPORT ON UNIVERSITY DEVELOPMENT (contd)

THE OHIO STATE UNIVERSITY DEVELOPMENT FUND

	<u>Previous Gifts</u>	<u>Current Gifts</u>	<u>Total Gifts</u>
<u>Establishment of Named Endowed Professorship</u>			
The Mildred E. Newton Professorship (Used to support a professorship in the College of Nursing; provided by gifts from The Ohio State University Nurses Alumnae Association) (Grandfathered)		\$555,042.00	\$555,042.00
<u>Establishment of Named Endowed Funds</u>			
The Fisher College Building Complex Fund (Used to support the Fisher College building complex and activities therein; provided by gifts from donors to The Max M. Fisher College of Business)		\$4,010,010.00	\$4,010,010.00
The University Pathology Services Anatomic Pathology Professorship Fund (Used to support a future professorship in the Department of Pathology in the College of Medicine and Public Health; provided by gifts from University Pathology Services and other friends of the Department of Pathology)		\$175,000.00	\$175,000.00
The University Pathology Services Clinical Pathology Professorship Fund (Used to support a future professorship in the Department of Pathology in the College of Medicine and Public Health; provided by gifts from University Pathology Services and other friends of the Department of Pathology)		\$175,000.00	\$175,000.00
The Bostic-Georges Faculty Service Award Fund (Used to provide a faculty member award at the Fisher College of Business; provided by gifts from the Bostic and Georges families and other friends)		\$50,000.00	\$50,000.00
The Dr. Donald R. Redman Food Animal Health Research Program Research and Education Fund (Used to enhance the Food Animal Health Research Program at OARDC; provided by a gift from the Food Animal Health Research Program)		\$26,248.00	\$26,248.00
The Verland W. and Brian Belt Engineering Scholarship Fund (Used to provide scholarships to students in the College of Engineering; provided by gifts from Verland W. Belt and Brian Belt)		\$25,000.00	\$25,000.00

REPORT ON UNIVERSITY DEVELOPMENT (contd)

THE OHIO STATE UNIVERSITY FOUNDATION

	<u>Previous Gifts</u>	<u>Current Gifts</u>	<u>Total Gifts</u>
<u>Establishment of Named Endowed Funds</u>			
The Ferris P. Copper and Lillian Copper Memorial Endowment Fund in Medicine (Used to support the College of Medicine and Public Health; provided by gifts made in memory of Ferris and Lillian Copper from his estate)		\$808,263.92	\$808,263.92
The Raymond E. Mason Endowment Fund for Excellence (Used to support student activities and faculty in the Fisher College of Business; provided by gifts from Raymond E. Mason, Jr.)		\$800,000.00	\$800,000.00
The Paul A. Smith and Ethel I. Smith 4-H Scholarship Endowment Fund (Used to provide scholarships in the College of Food, Agricultural, and Environmental Sciences; provided by gifts from the estate of Paul A. and Ethel I. Smith)		\$417,407.69	\$417,407.69
The Clara Hilberg Teller Endowed Scholarship Fund (Used to provide scholarships in the College of Humanities; provided by gifts from the estate of Clara Hilberg Tiller)		\$80,000.00	\$80,000.00
The Ruth C. and Ralph O. Jentz Dean's Innovation Fund (Used to further the activities of the College of Veterinary Medicine; provided by a gift from the estate of Ralph O. Jentz)		\$50,000.00	\$50,000.00
The John Esselburn Scholarship Fund (Used to support scholarships for students in the Fisher College of Business; provided by gifts from John A. Esselburn and Kathryne Esselburn)		\$30,000.00	\$30,000.00
The Lynn Ackerman Hirsch Memorial Fund for Cancer Research (Used to support research at the Comprehensive Cancer Center – The Arthur G. James Cancer Hospital and Richard J. Solove Research Institute; provided by a gift from Kenneth Ackerman)		\$26,946.62	\$26,946.62
The Paul S. Metzger, M.D. and Lee Metzger Medical Heritage Center Endowment Fund (Used to support the Medical Heritage Center's historic collections in the Prior Health Sciences Library; provided by gifts from Paul S. Metzger, M.D. and Lee Metzger)		\$25,570.53	\$25,570.53

REPORT ON UNIVERSITY DEVELOPMENT (contd)

THE OHIO STATE UNIVERSITY FOUNDATION (contd)

	<u>Previous Gifts</u>	<u>Current Gifts</u>	<u>Total Gifts</u>
<u>Establishment of Named Endowed Funds (contd)</u>			
The Ohio Agricultural Research and Development Center Innovation Fund (Used to enhance and foster innovative concepts and visions that impact and advance excellence in agriculture; provided by a gift from Forest and Karen Muir)		\$25,000.00	\$25,000.00
The Hofmann Family Foundation Athletic Scholarship Fund (Used to supplement scholarship costs of members of the varsity men's hockey team; provided by gifts from The Hofmann Family Foundation)		\$25,000.00	\$25,000.00
<u>Change in Name and Description of Named Endowed Fund</u>			
From: The Anna Sborowitz Scholarship Fund			
To: The Anna Sborowitz Endowment Fund			
Total		<u>\$7,304,488.76</u>	<u>\$7,304,488.76</u>

THE OHIO STATE UNIVERSITY DEVELOPMENT FUND

Establishment of Named Endowed Professorship

The Mildred E. Newton Professorship

The Mildred E. Newton Scholarship Fund was established July 14, 1966, by the Board of Trustees of The Ohio State University with gifts from The Ohio State University Nurses Alumnae Association along with friends, alumni, and faculty of the College of Nursing in honor of Dr. Mildred E. Newton, former director of the School of Nursing (September 1951 to July 1968). The required funding level (grandfathered) has been reached, and the professorship was established on March 1, 2002.

All gifts are to be invested in the University's Permanent Endowment Fund, under the rules and regulations adopted by the Board of Trustees of The Ohio State University, with the right to invest and reinvest as occasion dictates.

The annual income shall be used to provide salary and program support for the work of a distinguished teacher and scholar in nursing, nursing education, and health care in the College of Nursing. Distribution will be made at the recommendation of the dean of the College of Nursing.

It is the desire of the donors that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Board of Trustees in consultation with the dean of the College of Nursing or program administrative officer in order to carry out the desire of the donors.

\$555,042.00 (Grandfathered)

REPORT ON UNIVERSITY DEVELOPMENT (contd)

THE OHIO STATE UNIVERSITY DEVELOPMENT FUND (contd)

Establishment of Named Endowed Funds

The Fisher College Building Complex Fund

The Fisher College Building Complex Fund was established March 1, 2002, by the Board of Trustees of The Ohio State University with gifts from donors to The Max M. Fisher College of Business.

All gifts are to be invested in the University's Permanent Endowment Fund, under the rules and regulations adopted by the Board of Trustees of The Ohio State University, with the right to invest and reinvest as occasion dictates.

The annual income shall be used by the dean of the Fisher College to support the building complex and activities therein.

It is the desire of the donors that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Board of Trustees in consultation with the dean of The Max M. Fisher College of Business in order to carry out the desire of the donors.

\$4,010,010.00

The University Pathology Services Anatomic Pathology Professorship Fund

The University Pathology Services Anatomic Pathology Professorship Fund was established March 1, 2002, by the Board of Trustees of The Ohio State University with gifts from University Pathology Services, Columbus, Ohio, and from other friends of the Department of Pathology.

All gifts are to be invested in the University's Permanent Endowment Fund, under the rules and regulations adopted by the Board of Trustees of The Ohio State University, with the right to invest and reinvest as occasion dictates.

The annual income shall be added to the fund until it reaches the level of \$750,000, at which time it will provide for a professorship position. The professorship shall support the advancement of medical knowledge in the field of pathology research, both basic and clinical, and shall be held by an individual who is or shall be a member of the Department of Pathology in the College of Medicine and Public Health. The position shall be held by a nationally eminent faculty member who has distinguished himself/herself in the performance of pathology research, who maintains an active productive research program, and who is an effective educator-teacher.

Selection shall be made as recommended by the senior vice president for Health Sciences and dean of the College of Medicine and Public Health in consultation with the chairperson of the Department of Pathology. The activities of the endowed professorship holder shall be reviewed no less than every five years by the senior vice president for Health Sciences and dean of the College of Medicine and Public Health to determine compliance with the intent of the donor as well as the academic and research standards of the University.

It is the desire of the donors that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Board of Trustees in consultation with the senior vice president for Health Sciences and dean of the College of Medicine and Public Health, and the chairperson of the Department of Pathology in order to carry out the desire of the donors.

\$175,000.00

REPORT ON UNIVERSITY DEVELOPMENT (contd)

THE OHIO STATE UNIVERSITY DEVELOPMENT FUND (contd)

Establishment of Named Endowed Funds (contd)

The University Pathology Services Clinical Pathology Professorship Fund

The University Pathology Services Clinical Pathology Professorship Fund was established March 1, 2002, by the Board of Trustees of The Ohio State University with gifts from University Pathology Services, Columbus, Ohio, and from other friends of the Department of Pathology.

All gifts are to be invested in the University's Permanent Endowment Fund, under the rules and regulations adopted by the Board of Trustees of The Ohio State University, with the right to invest and reinvest as occasion dictates.

The annual income shall be added to the fund until it reaches the level of \$750,000, at which time it will provide for a professorship position. The professorship shall support the advancement of medical knowledge in the field of pathology research, both basic and clinical, and shall be held by an individual who is or shall be a member of the Department of Pathology in the College of Medicine and Public Health. The position shall be held by a nationally eminent faculty member who has distinguished himself/herself in the performance of pathology research, who maintains an active productive research program, and who is an effective educator-teacher.

Selection shall be made as recommended by the senior vice president for Health Sciences and dean of the College of Medicine and Public Health in consultation with the chairperson of the Department of Pathology. The activities of the endowed professorship holder shall be reviewed no less than every five years by the senior vice president for Health Sciences and dean of the College of Medicine and Public Health to determine compliance with the intent of the donor as well as the academic and research standards of the University.

It is the desire of the donors that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Board of Trustees in consultation with the senior vice president for Health Sciences and dean of the College of Medicine and Public Health, and the chairperson of the Department of Pathology in order to carry out the desire of the donors.

\$175,000.00

The Bostic-Georges Faculty Service Award Fund

The Bostic-Georges Faculty Service Award Fund was established March 1, 2002, by the Board of Trustees of The Ohio State University with gifts from the Bostic family of Columbus, Ohio, the Georges family of Westerville, Ohio, and other friends.

All gifts are to be invested in the University's Permanent Endowment Fund, under the rules and regulations adopted by the Board of Trustees of The Ohio State University, with the right to invest and reinvest as occasion dictates.

The annual income shall be used to provide an award to a faculty member at The Max M. Fisher College of Business who provides exemplary service to the College/University community.

It is the desire of the donors that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Board of Trustees in consultation with the dean of The Max M. Fisher College of Business in order to carry out the desire of the donors.

\$50,000.00

REPORT ON UNIVERSITY DEVELOPMENT (contd)

THE OHIO STATE UNIVERSITY DEVELOPMENT FUND (contd)

Establishment of Named Endowed Funds (contd)

**The Dr. Donald R. Redman Food Animal Health Research Program
Research and Education Fund**

The Dr. Donald R. Redman Food Animal Health Research Program Research and Education Fund was established March 1, 2002, by the Board of Trustees of The Ohio State University with a gift from the Food Animal Health Research Program.

All gifts are to be invested in the University's Permanent Endowment Fund, under the rules and regulations adopted by the Board of Trustees of The Ohio State University, with the right to invest and reinvest as occasion dictates.

The annual income shall be used to enhance the Food Animal Health Research Program (FAHRP) at the Ohio Agricultural Research and Development Center. Uses of the fund shall be limited to support guest lectureships, symposia, and graduate student support in the Food Animal Health Research Program. The distribution of the funds will be at the discretion of the program head, in consultation with the faculty of FAHRP. Unused income shall be reinvested in the principal.

It is the desire of the donor that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Board of Trustees in consultation with the director of the Ohio Agricultural Research and Development Center and program head of the Food Animal Health Research Program in order to carry out the desire of the donor.

\$26,248.00

The Verland W. and Brian Belt Engineering Scholarship Fund

The Verland W. and Brian Belt Engineering Scholarship Fund was established March 1, 2002, by the Board of Trustees of The Ohio State University with gifts from Verland W. Belt (B.C.E. 1937) and Brian Belt (B.I.E. 1968, M.S. 1969).

All gifts are to be invested in the University's Permanent Endowment Fund, under the rules and regulations adopted by the Board of Trustees of The Ohio State University, with the right to invest and reinvest as occasion dictates.

The annual income shall provide one or more merit scholarships to students majoring in engineering. Selection will be made by the dean of the College of Engineering in consultation with the University Committee on Student Financial Aid.

It is the desire of the donors that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Board of Trustees in consultation with the appropriate college dean, department chairperson, or program administrative officer in order to carry out the desire of the donors.

\$25,000.00

REPORT ON UNIVERSITY DEVELOPMENT (contd)

THE OHIO STATE UNIVERSITY FOUNDATION

Establishment of Named Endowed Funds

The Ferris P. Copper and Lillian Copper Memorial Endowment Fund in Medicine

The Ferris P. Copper and Lillian Copper Memorial Endowment Fund in Medicine was established March 1, 2002, in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation with gifts made in memory of Ferris and Lillian Copper from the estate of Ferris Copper (B.F.A. 1940) of Schenectady, New York.

All gifts are to be invested by the Foundation, under the rules and regulations adopted by the Foundation Board of Directors with the right to invest and reinvest as occasion dictates.

The annual income shall be used to support the College of Medicine and Public Health as determined by the senior vice president for Health Sciences and dean of the College of Medicine and Public Health, with the objective that these funds may be allowed to increase in value so that such increases would make it possible to build (or be seed funds to build) a needed facility at the academic medical campus if determined as most beneficial by the senior vice president for Health Sciences and dean of the College of Medicine and Public Health.

In addition, each time the market value of this endowment fund doubles from its original gift value (that of \$802,759), twenty-five percent (25%) of the principal of said fund may be utilized for any needs of the College as the senior vice president for Health Sciences and dean of the College of Medicine and Public Health may direct.

Suitable recognition of this gift will be made in the form of a memorial plaque or other naming mechanism to honor Ferris P. Copper and Lillian Copper.

It is the desire of the donor that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Foundation Board in consultation with the senior vice president for Health Sciences and dean of the College of Medicine and Public Health in order to carry out the desire of the donor.

\$808,263.92

The Raymond E. Mason Endowment Fund for Excellence

The Raymond E. Mason Endowment Fund for Excellence was established March 1, 2002, in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with gifts from Raymond E. Mason, Jr. (B.S.Bus.Adm. 1941).

All gifts are to be invested by the Foundation, under the rules and regulations adopted by the Foundation's Board of Directors, with the right to invest and reinvest as occasion dictates.

The annual income shall be used in The Max M. Fisher College of Business primarily to attract and retain talented faculty and also to support student activities including participation in business solution teams, interaction with business executives/owners, entrepreneurship, emerging markets study, and initiatives which develop understanding of the free enterprise system.

Yearly unspent income will be returned to the principal to enhance the annual income available to support faculty and students.

It is the desire of the donor that this fund should benefit the University in perpetuity. Should The Ohio State University and The Max M. Fisher College of Business agree that management education will not be an academic offering of the institution, then the University, in consultation with the donor or his designee, will re-designate the income of this fund to another purpose at

REPORT ON UNIVERSITY DEVELOPMENT (contd)

THE OHIO STATE UNIVERSITY FOUNDATION (contd)

Establishment of Named Endowed Funds (contd)

The Raymond E. Mason Endowment Fund for Excellence (contd)

The Ohio State University which supports programs that are of interest to the donor. If no such agreement can be reached between the University and the donor or his designee, the principal of the fund will revert to the Raymond E. Mason Foundation.

\$800,000.00

The Paul A. Smith and Ethel I. Smith 4-H Scholarship Endowment Fund

The Paul A. Smith and Ethel I. Smith 4-H Scholarship Endowment Fund was established March 1, 2002, in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with gifts from the estate of Paul A. and Ethel I. Smith of Navarre, Ohio.

All gifts are to be invested by the Foundation, under the rules and regulations adopted by the Foundation's Board of Directors, with the right to invest and reinvest as occasion dictates.

The annual income shall be used to provide scholarships to young people interested in pursuing an education in farming and agriculture at the College of Food, Agricultural, and Environmental Sciences in Columbus and at the regional campuses, including the School of Natural Resources and the Agricultural Technical Institute. The criteria for awarding the scholarships shall be based on a student's documented involvement with 4-H leadership, citizenship, and school and community activities, along with the ability to maintain a GPA of at least 2.0. Scholarship recipients will be selected by an Ohio 4-H Awards Selection Committee. The scholarships will be awarded in consultation with the University Committee on Student Financial Aid.

It is the desire of the donors that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Foundation Board in consultation with the director of Ohio State University Extension in order to carry out the desire of the donors.

\$417,407.69

The Clara Hilberg Teller Endowed Scholarship Fund

The Clara Hilberg Teller Endowed Scholarship Fund in the College of Humanities was established March 1, 2002, in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with gifts from the estate of Clara Hilberg Teller (B.A. 1955).

All gifts are to be invested by the Foundation, under the rules and regulations adopted by the Foundation's Board of Directors, with the right to invest and reinvest as occasion dictates.

The annual income shall be used to provide scholarships to students who are majoring in the Humanities and who maintain a GPA of 3.0 or better. The scholarships will be awarded in consultation with the University Committee on Student Financial Aid.

It is the desire of the donor that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Foundation Board as recommended to the dean of the College of Humanities in order to carry out the desire of the donor.

\$80,000.00

REPORT ON UNIVERSITY DEVELOPMENT (contd)

THE OHIO STATE UNIVERSITY FOUNDATION (contd)

Establishment of Named Endowed Funds (contd)

The Ruth C. and Ralph O. Jentz Dean's Innovation Fund

The Ruth C. and Ralph O. Jentz Dean's Innovation Fund was established March 1, 2002, in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with a gift from the estate of Ralph O. Jentz, Cincinnati, Ohio.

All gifts are to be invested by the Foundation, under the rules and regulations adopted by the Foundation's Board of Directors, with the right to invest and reinvest as occasion dictates.

The annual income shall be used at the discretion of the dean of the College of Veterinary Medicine to further the activities of the College. Any unused income in any given year shall be returned to principal.

It is the desire of the donor that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Foundation Board as recommended by the dean of the College of Veterinary Medicine in order to carry out the desire of the donor.

\$50,000.00

The John Esselburn Scholarship Fund

The John Esselburn Scholarship Fund was established March 1, 2002, in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with gifts from John A. Esselburn (B.S.Bus.Adm. 1967) and his wife Kathyne Esselburn, of Naperville, Illinois, and Naples, Florida.

All gifts are to be invested by the Foundation, under the rules and regulations adopted by the Foundation's Board of Directors, with the right to invest and reinvest as occasion dictates.

The annual income shall be used by The Max. M. Fisher College of Business to support a scholarship(s) for a student in business, with preference to an operations management major who aspires to a career in manufacturing. The scholarship is open to any U.S. citizen on the basis of merit and unmet financial need, with option for renewal. The scholarship established by the donor is intended to assist students who are substantially self-supporting. The scholarship will be awarded in consultation with the University Committee on Student Financial Aid.

It is the desire of the donors that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Foundation Board as recommended by the dean of the Fisher College of Business in order to carry out the desire of the donors.

\$30,000.00

The Lynn Ackerman Hirsch Memorial Fund For Cancer Research

The Lynn Ackerman Hirsch Memorial Fund for Cancer Research at the Comprehensive Cancer Center – The Arthur G. James Cancer Hospital and Richard J. Solove Research Institute was established March 1, 2002, in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation with a gift from Lynn Ackerman Hirsch's brother, Kenneth Ackerman, of Columbus, Ohio.

All gifts to this fund are to be invested by the Foundation, under the rules and regulations adopted by the Foundation Board of Directors with the right to invest and reinvest as occasion dictates.

REPORT ON UNIVERSITY DEVELOPMENT (contd)

THE OHIO STATE UNIVERSITY FOUNDATION (contd)

Establishment of Named Endowed Funds (contd)

The Lynn Ackerman Hirsch Memorial Fund For Cancer Research (contd)

The annual income shall be used to support cancer research at the Comprehensive Cancer Center - The Arthur G. James Cancer Hospital and Richard J. Solove Research Institute at The Ohio State University as approved by the director of The Arthur G. James Cancer Hospital and Richard J. Solove Research Institute, the director of the Comprehensive Cancer Center, and the senior vice president for Health Sciences and dean of the College of Medicine and Public Health.

It is the desire of the donor that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Foundation Board in consultation with the director of The Arthur G. James Cancer Hospital and Richard J. Solove Research Institute, the director of the Comprehensive Cancer Center, and the senior vice president for Health Sciences and dean of the College of Medicine and Public Health in order to carry out the desire of the donor.

\$26,946.62

**The Paul S. Metzger, M.D. and Lee Metzger
Medical Heritage Center Endowment Fund**

The Paul S. Metzger, M.D. and Lee Metzger Medical Heritage Center Endowment Fund was established March 1, 2002, in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation with gifts from Paul S. Metzger, (M.D. 1948) and Lee Metzger (B.S.Nurs. 1949) of Columbus, Ohio.

All gifts are to be invested by the Foundation, under the rules and regulations adopted by the Foundation Board of Directors with the right to invest and reinvest as occasion dictates.

The annual income shall be used for support of the Medical Heritage Center's historic collections. Income distribution shall be made as recommended by the curator of the Medical Heritage Center and the director of the Prior Health Sciences Library in consultation with the senior vice president for Health Sciences and dean of the College of Medicine and Public Health. The income may support, but is not limited to, collection procurement, curatorial expenses, salaries for personnel, and activities required to support the Medical Heritage Center. If the need for this funding should cease to exist, then the fund will be dedicated to support the rare book collection of the Prior Health Sciences Library.

It is the desire of the donors that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Foundation Board in consultation with the senior vice president for Health Sciences and dean of the College of Medicine and Public Health and the director of the Prior Health Sciences Library in order to carry out the desire of the donors.

\$25,570.53

The Ohio Agricultural Research and Development Center Innovation Fund

The Ohio Agricultural Research and Development Center (OARDC) Innovation Fund was established March 1, 2002, in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with a gift from Forest (Ph.D. 1967) and Karen Muir of Wooster, Ohio.

REPORT ON UNIVERSITY DEVELOPMENT (contd)

THE OHIO STATE UNIVERSITY FOUNDATION (contd)

Establishment of Named Endowed Funds (contd)

The Ohio Agricultural Research and Development Center Innovation Fund (contd)

All gifts are to be invested by the Foundation, under the rules and regulations adopted by the Foundation's Board of Directors, with the right to invest and reinvest as occasion dictates.

The annual income shall be used by the director of the Ohio Agricultural Research and Development Center to enhance and foster innovative concepts and visions that impact and advance excellence in agriculture. Unused income shall be reinvested in the principal.

It is the desire of the donors that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Foundation Board in consultation with the director of the Ohio Agricultural Research and Development Center in order to carry out the desire of the donor.

\$25,000.00

The Hofmann Family Foundation Athletic Scholarship Fund

The Hofmann Family Foundation Athletic Scholarship Fund was established March 1, 2002, in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with gifts from The Hofmann Family Foundation of Pittsburgh, Pennsylvania. Any publicity concerning or recognition of this gift should be given to Robert G. Hofmann, II.

All gifts are to be invested by the Foundation, under the rules and regulations adopted by the Foundation's Board of Directors, with the right to invest and reinvest as occasion dictates.

The annual income shall be used to supplement the student-athlete grant-in-aid scholarship costs of student athletes who are members of the varsity men's hockey team who are pursuing undergraduate degrees at The Ohio State University. The director of Athletics shall select recipients in consultation with the head hockey coach, the Student Athlete Support Services Office, and the University Committee on Student Financial Aid.

It is the desire of the donor that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Foundation Board as recommended by the director of Athletics in order to carry out the desire of the donor.

\$25,000.00

Change in Name and Description of Named Endowed Fund

The Anna Sborowitz Endowment Fund

The Anna Sborowitz Scholarship Fund was established October 6, 1995, in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with gifts from Paul K. Sorren (B.S.Bus.Adm. 1946) of Miami Beach, Florida. The name and description were revised on March 1, 2002.

All gifts are to be invested by the Foundation, under the rules and regulations adopted by the Foundation's Board of Directors, with the right to invest and reinvest as occasion dictates.

REPORT ON UNIVERSITY DEVELOPMENT (contd)

THE OHIO STATE UNIVERSITY FOUNDATION (contd)

Change in Name and Description of Named Endowed Fund (contd)

The Anna Sborowitz Endowment Fund (contd)

The annual income shall be used to provide scholarships for students with disabilities enrolled full-time at The Ohio State University. The scholarships will be awarded in consultation with the University Committee on Student Financial Aid.

It is the desire of the donor that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Foundation Board as recommended by the Office of Student Affairs and the Office for Disability Services in order to carry out the desire of the donor.

MODIFICATION OF ENDOWMENT INVESTMENTS POLICY

Resolution No. 2002-93

Synopsis: Revision of the University's Endowment Investments Policy is proposed.

WHEREAS the Board of Trustees, from time to time, has adopted specific policies governing various aspects of the management of the investment portfolios; and

WHEREAS there is a need for comprehensive policies to provide for the overall management of the investment portfolios; and

WHEREAS there is need to modify the comprehensive policies on occasion:

NOW THEREFORE

BE IT RESOLVED, That the following Endowment Investments Policy for The Ohio State University be adopted by the Board of Trustees; and

BE IT FURTHER RESOLVED, That the Treasurer be, and hereby is, directed and authorized to implement and administer this policy and to manage the Endowment investment portfolio in accordance with this Policy.

(See Appendix XXVII for background information, page 891.)

WAIVERS OF COMPETITIVE BIDDING REQUIREMENTS

Resolution No. 2002-94

OCTOBER – DECEMBER 2001

Synopsis: Acceptance of the quarterly report on waivers of competitive bidding requirements is proposed.

WHEREAS the Purchasing Policy of The Ohio State University adopted by the Board of Trustees on September 7, 1984, and revised on February 7, 1992, July 8, 1994, and November 7, 1997, provides that the President and/or the Vice President for Business and Finance, or for the Hospitals of the

WAIVERS OF COMPETITIVE BIDDING REQUIREMENTS (contd)

University and their related facilities, Vice President for Health Services, may grant a waiver from competitive bidding in the event of an emergency, when a sufficient economic reason exists or when the goods or services can be purchased from only a single source, with a report on such waivers to be made quarterly to this Board; and

WHEREAS the Senior Vice President for Business and Finance has submitted a report on waivers of competitive bidding requirements granted for the period of October - December, 2001; and

WHEREAS during the period covered, the Senior Vice President for Business and Finance, at the requests of the departments making the purchases and upon the recommendation of the Purchasing Department, 39 granted waivers of competitive bidding requirements for annual purchases totaling approximately \$4,494,100 as shown on the enclosed exhibit:

WHEREAS during the period covered, the Vice President for Health Services, at the requests of the Hospitals of the University and their related facilities making purchases, granted 30 waivers of competitive bidding requirements for annual purchases totaling approximately \$12,252,500 as shown on the enclosed exhibit:

NOW THEREFORE

BE IT RESOLVED, That the report on waivers of competitive bidding requirements for the period of October - December 2001, is hereby accepted.

(See Appendix XXVIII for background information, page 899.)

EMPLOYMENT OF ARCHITECTS/ENGINEERS AND REQUEST FOR CONSTRUCTION BIDS

Resolution No. 2002-95

HEART HOSPITAL
OHIO 4-H CENTER
MULTI-PURPOSE TURF FIELD
LABORATORY ANIMAL FACILITY EXPANSION
ATI – SHISLER CENTER COURTYARD

Synopsis: Authorization to employ an architect/engineering firm for the Ohio 4-H Center, Multi-Purpose Turf Field and ATI – Shisler Center Courtyard projects and request construction bids for the Heart Hospital, Ohio 4-H Center, Multi-Purpose Turf Field, Laboratory Animal Facility Expansion, and ATI – Shisler Center Courtyard projects is requested.

WHEREAS the University desires to construct a new Heart Hospital to house an integrated cardiothoracic surgery and cardiology program; and

WHEREAS the total estimated project cost is \$82,200,000 and the total estimated construction cost is \$51,000,000, with funding provided by a generous gift from the Ross family (\$10,000,000), House Bill 640 (\$2,610,000), and future University bond proceeds with debt service paid by income from patient fees and/or future gifts to the Heart Hospital (\$69,590,000); and

WHEREAS the University desires to construct a new Ohio 4-H Center just north of the Dakan Hall site to house OSU 4-H Youth Development staff, OSU Extension programs, and those programs from the College of Food, Agricultural, and Environmental Sciences that will interact with 4-H; and

WHEREAS the total estimated project cost is \$9,110,627 and the total estimated construction cost is \$6,628,751, with funding provided by the Ohio 4-H Foundation Board; and

**EMPLOYMENT OF ARCHITECTS/ENGINEERS AND
REQUEST FOR CONSTRUCTION BIDS (contd)**

WHEREAS the University desires to install a new Multi-Purpose Turf Field on the northwest field of the Larkins four-field complex including installation of turf field lighting and filming platform for use as a practice field for the marching band, club sports, men's and women's soccer, lacrosse and field hockey, and flag football; and

WHEREAS the total estimated project cost is \$1,225,000 and the total estimated construction cost is \$1,018,010, with funding provided by University bond proceeds (\$264,000) with debt service paid by Transportation and Parking and Recreational Sports, gifts to the Marching Band (\$140,000), Business and Finance (\$150,000), and gifts to the University (\$671,000); and

WHEREAS the University desires to provide minor renovations in Building 1 and construct three modular buildings at the University Laboratory Animal Research Center to house laboratory animals with closely monitored HVAC and electrical services; and

WHEREAS the total estimated project cost is \$500,000 and the total estimated construction cost is \$ 459,894, with funding provided by the Office of Research; and

WHEREAS the University desires to construct a courtyard adjacent to the new Shisler Center on the ATI campus; and

WHEREAS the total estimated project cost is \$300,000 and the total estimated construction cost is \$255,975, with funding provided by House Bill 640:

NOW THEREFORE

BE IT RESOLVED, That the President and/or Senior Vice President for Business and Finance be authorized to select qualified architectural/engineering firms as necessary for the Ohio 4-H Center, Multi-Purpose Turf Field, and ATI – Shisler Center Courtyard projects and that the fees for these services be negotiated between the firms selected and the University; and

BE IT FURTHER RESOLVED, That the President and/or Senior Vice President for Business and Finance be authorized to request construction bids for the Ohio 4-H Center, Multi-Purpose Turf Field, Laboratory Animal Facility Expansion, and ATI – Shisler Center Courtyard projects in accordance with established University and State of Ohio procedures, and if satisfactory bids are received, to issue contracts with all actions to be reported to this Board at the appropriate time; and

BE IT FURTHER RESOLVED, That the President and/or Senior Vice President for Business and Finance be authorized to request construction bids for the generator installation, security system, building demolition, and site utilities for the Heart Hospital project in accordance with established University and State of Ohio procedures, and if satisfactory bids are received to issue contracts with all actions to be reported to the Board at the appropriate time; and

BE IT FURTHER RESOLVED, That, subject to the approval of a business plan and a memorandum of understanding by the appropriate University officials, the President and/or Senior Vice President for Business and Finance be authorized to request construction bids for the remaining construction phases of the Heart Hospital project in accordance with established University and State of Ohio procedures, and if satisfactory bids are received, to issue contracts with all actions to be reported to this Board at the appropriate time.

(Appendix XXIX for background information and maps, page 903.)

MAINTENANCE AND RENEWAL POLICY FOR UNIVERSITY FACILITIES

Resolution No. 2002-96

Synopsis: A policy to assure funding for maintenance and renewal of University facilities is proposed.

WHEREAS a supportive and attractive physical environment is a key element of the Academic Plan; and

WHEREAS a large deferred maintenance backlog detracts from the goals of the Academic Plan; and

WHEREAS the addition of space without funding for maintenance and renewal exacerbates future deferred maintenance problems:

NOW THEREFORE

BE IT RESOLVED, That plans for facilities and building renewal be included as a component of the business plan for every new capital project over \$1.5 million; and

BE IT FURTHER RESOLVED, That the attached Strategic Principles apply to the maintenance and renewal of University facilities; and

BE IT FURTHER RESOLVED, That renovation and replacement of academic buildings continue to be given priority for use of State capital dollars; and

BE IT FURTHER RESOLVED, That these policies and principles be effective immediately; and

BE IT FURTHER RESOLVED, That the President report annually to the Board of Trustees on compliance with this policy.

(See Appendix XXX for background information, page 913.)

UPDATING OF PURCHASING POLICY

Resolution No. 2002-97

Synopsis: The following modifications to update the University's policy on purchasing and competitive bidding is proposed.

WHEREAS the Board of Trustees adopted a policy on purchasing and competitive bidding in November 1997; and

WHEREAS it is in the best interests of the University to periodically update this policy to ensure that the University is taking advantage of procurement arrangements that will best meet the needs of the University for obtaining goods and services at the most competitive prices; and

WHEREAS State term schedules and multiple award contracts are used by the State of Ohio to provide increased flexibility in procurement while ensuring the lowest possible prices:

NOW THEREFORE

BE IT RESOLVED, That the Board of Trustees hereby revises the policy on purchasing policy to include the following provisions, effective immediately:

UPDATING OF PURCHASING POLICY (contd)

The President and/or Senior Vice President for Business and Finance is authorized on behalf of the University, on a continuing basis, to purchase without competitive bidding, equipment, materials, supplies, or services through participation in State of Ohio term schedules in which the vendor guarantees that the State will receive the lowest price as offered to the Federal government and in which the vendor agrees to accept all of the State's terms and conditions.

For any contract authorized by the University's policy on purchasing, the University is authorized to make multiple awards as provided for in the University's requests for bids or proposals.

(See Appendix XXXI for background information, page 915.)

SECOND QUARTER BUDGET REPORT

Resolution No. 2002-98

FISCAL YEAR 2001-02

Synopsis: The second quarter budget report for fiscal year 2001-02 is being submitted for adoption.

WHEREAS the University's enrollments for summer, autumn and winter quarters are now known, allowing for a more accurate picture of the University's student fee revenue; and

WHEREAS other revenues such as indirect cost recoveries on sponsored programs have been projected higher than originally budgeted; and

WHEREAS appropriate planning and consultation within the University has been accomplished and the President now recommends approval of the second quarter budget report:

NOW THEREFORE

BE IT RESOLVED, That the appropriate resources budgets be adjusted to reflect these changes as of the second quarter as described in the attached materials; and

BE IT FURTHER RESOLVED, That spending of any additional resources is frozen until a balanced budget plan is approved for FY 2002-03.

(See Appendix XXXII for background information, page 917.)

STAFF SEVERANCE PROGRAMS

Resolution No. 2002-99

Synopsis: Approval of the University and University Health System Staff Severance Programs are proposed.

WHEREAS the Board of Trustees of The Ohio State University is vested with authority, pursuant to O.R.C. section 3335.09, to adopt bylaws, rules and regulations governing the operations of the University, including but not limited to, fixing of compensation for employees of The Ohio State University; and

STAFF SEVERANCE PROGRAMS (contd)

WHEREAS the Office of Human Resources has promulgated a policy to institute staff severance programs for the University, and separately for the University Health System, which will provide for a severance program for those regular staff who are involuntarily terminated due to reduction in force or through involuntary job abolishment; excepting those employees who are terminated for performance or other appropriate reason; and

WHEREAS this policy of the Office of Human Resources has been internally approved by appropriate management committees of the University:

NOW THEREFORE

BE IT RESOLVED, That the Board of Trustees, hereby adopts this University Staff Severance Program, as described in Attachment A, and this University Health System Severance Program, as described in Attachment B, and as fully described in the Office of Human Resources Policy 2.40, and the University Health System Policy XXX, to be effective immediately.

(See Appendix XXXIII for background information, page 923.)

Upon motion of Mr. Patterson, seconded by Mr. Sofia, the Board of Trustees adopted the foregoing resolutions by unanimous roll call vote, cast by Messrs. Brennan, Patterson, Sofia, Slane, McFerson, and Judge Duncan, Ms. Longaberger, Hendricks, and Davidson.

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Dr. William J. Napier:

Mr. Chairman and members of the Board, I would like to present the following resolution on the Appointment and Reappointment of Investment Managers.

APPOINTMENT AND REAPPOINTMENT OF INVESTMENT MANAGERS

Resolution No. 2002-100

Synopsis: Approval of the appointment and reappointment of investment managers is proposed.

WHEREAS it is the policy of The Ohio State University to utilize the service of external investment managers to assist in the management of the University's Endowment Fund; and

WHEREAS the Investments Committee of the Board of Trustees periodically reviews the results obtained by the external investment managers and the amount of funds assigned to each of them; and

WHEREAS it is prudent investment policy to adjust the mix and amounts of money assigned to external investment managers as economic conditions and performance change; and

WHEREAS the number of external investment managers and the amount of funds assigned to them shall be determined by the Board of Trustees:

NOW THEREFORE

BE IT RESOLVED, That upon the recommendation of the Investments Committee, the following named external investment managers and the Office of the Treasurer shall be approved to manage Endowment Funds as follows:

APPOINTMENT AND REAPPOINTMENT OF INVESTMENT MANAGERS (contd)

<u>Large Cap Equity Managers</u>	Market Value/ Commitment As of 1/31/02	<u>Changes</u>	<u>Revised Allocation</u>
ABN AMRO	\$57,543,801	\$(15,000,000)	\$42,543,801
Barclays S&P 500	235,803,528	(25,000,000)	210,803,528
Barclays Value Index	--0--	25,000,000	25,000,000
Nicholas Applegate Mid Cap	110,294,088	(20,000,000)	90,294,088
University Students	17,013,780	--0--	17,013,780
<u>Small Cap Equity Managers</u>			
Barclays Extended	\$146,421,210	\$ --0--	\$146,421,210
Meeder Financial	76,665,295	10,000,000	86,665,295
Nicholas Applegate Small Cap	26,789,358	--0--	26,789,358
<u>International Equity Managers</u>			
Barclays International	\$ 23,344,429	\$15,000,000	\$ 38,344,429
Invesco Global Asset	18,733,785	--0--	18,733,785
Sit International	13,326,841	--0--	13,326,841
<u>Fixed Income Managers</u>			
Banc One	\$ 26,037,240	\$ --0--	\$ 26,037,240
Commonfund	35,177,521	(35,177,521)	--0--
Cypress Asset Management	24,544,450	--0--	24,544,450
Hughes Capital Management	15,497,518	--0--	15,497,518
Huntington Trust	26,247,198	5,000,000	31,247,198
MDL Capital Management	79,544,180	--0--	79,544,180
<u>Alternative Managers</u>			
Battelle Technology Fund	\$ 2,625,000	\$ --0--	\$ 2,625,000
CID Seed Fund	1,000,000	--0--	1,000,000
Commonfund New Leaders	10,000,000	--0--	10,000,000

APPOINTMENT AND REAPPOINTMENT OF INVESTMENT MANAGERS (contd)

<u>Alternative Managers (contd)</u>	<u>Market Value/ Commitment As of 1/31/02</u>	<u>Changes</u>	<u>Revised Allocation</u>
Commonfund Capital Partners	\$ 7,067,000	\$ --0--	\$ 7,067,000
Commonfund High Yield Bonds	--0--	15,000,000	15,000,000
EDF Ventures Seed Fund	1,000,000	--0--	1,000,000
Mesirow Partnership Fund I	10,000,000	--0--	10,000,000

Upon motion of Mr. Slane, seconded by Ms. Hendricks, the Board of Trustees adopted the foregoing resolution with eight affirmative votes cast by Messrs. Brennan, Sofia, Slane, McFerson, and Judge Duncan, Mses. Longaberger, Hendricks, and Davidson, and one abstention cast by Mr. Patterson.

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Thereupon the Board adjourned to meet Friday, April 5, 2002, at The Ohio State University Longaberger Alumni House, Columbus, Ohio.

Attest:

William J. Napier
Secretary

David L. Brennan
Chairman

Recommendations Regarding
Funding Strategy for
The Ohio State University Columbus Campus

The Ohio State University
Board of Trustees Meeting
March 1, 2002

Office of Academic Affairs
Office of Business and Finance
February 27, 2002

Summary of February 1, 2002 Board Discussion

1. Ohio State University cannot be an engine of growth for the State of Ohio without adequate resources.
2. Our resource gap for FY 2003 is \$73 million, of which \$36 million will be made up from program cuts and reallocations. \$20 million in budget cuts are from the following:
 - Colleges - \$9 million
 - Support units - \$7 million
 - Central investments - \$4 million
3. Our recommended tuition increases included \$24 million in planned increases for current students and \$11 million in additional increase for new undergraduate students through a \$1,200 differential.
4. Need based financial aid will be increased to assure access.
5. Other funding priorities include compensation to retain qualified faculty and staff, as well as other improvements in the quality of the undergraduate experience both inside and outside the classroom.
6. Even after these increases, tuition for OSU students would still be in the middle range when compared to other selective admission public institutions in Ohio and outside of Ohio.

March 1 Recommendations

For all undergraduates (new and continuing) there would be a 9% increase in instructional and general fees beginning Summer Quarter 2002. This will amount to a \$429 increase from \$4,788 to \$5,217 for full-time undergraduates over a three quarter (academic year) period.

For new students, there would be an additional \$158 per quarter (\$474 per three quarter academic year) increase in the instructional fee above the 9% beginning Summer Quarter 2002 for a total increase of 18.9%.

New student means any undergraduate starting at Ohio State (Columbus or Regional Campus) Summer Quarter 2002 or later. Continuing student means any undergraduate starting at Ohio State (Columbus or Regional Campus) prior to Summer Quarter 2002.

Current students would be grandfathered (exempted) from the higher differential rates applied to new students for four years (through FY 2006).

Additional differential rate increases for new students will be phased in over the next two or three years in order to achieve our academic goals.

These recommendations apply to Columbus Campus only. Recommendations for regional campuses will be determined after they have had a chance to consult with their advisory boards.

Increased student financial aid funds will assure that students who are otherwise qualified will be afforded access.

These recommendations are based on existing levels of state support. If those levels change, recommendations may have to be modified.

An additional \$6 million will be identified through a combination of additional targeted spending reductions, reallocations, redirection and revenue increases.

Size of the Problem

To meet the FY 2003 programmatic goals outlined in the February 1 plan, approximately \$73 million had to be identified.

The modification of the differential for new students from \$1,200 annually to \$474 annually results in a corresponding reduction of \$2 million needed for financial aid. Thus, OSU now needs to identify \$71 million in resources for the Columbus Campus. The recommended sources are as follows:

Cuts previously planned	\$20M
Previously planned reallocations and other revenue	\$16M
Previously planned tuition increases 9% undergraduate students 5% graduate and professional students	\$24M
Additional increases on new undergraduate students +\$474	<u>\$5M</u>
Total	\$65M

Amount still needed to achieve the \$71 million target ($\$71\text{M} - \65M) = \$6M

Additional Cuts Not Recommended

Additional programmatic cuts to college and support units are not recommended because the University and the community will already feel the adverse impact of the \$20 million in hard cuts and up to an additional \$16 million in reallocations and redirections:

Category	Percent Target	*Dollar Target	Positions Lost
Colleges	5.0%	\$18.8M	241
Support Units	7.0%	\$13.9M	185
Central Programs	10.0%	<u>\$4.0M</u>	<u>0</u>
Total		\$36.7M	426

Summary of positions eliminated by category (Columbus Campus Only)

Vacant	248
Filled	51
Other (GAs, Temporary and Intermittent)	<u>127</u>
	426
Faculty	85
Staff	214
Other (GAs, Temporary and Intermittent)	<u>127</u>
	426

* Represents percentage of Present Budget Authority needed for budget reductions (2.5% for colleges; 3.5% for support areas) and an equivalent amount to be used for compensation. Does not include total redirection dollars necessary to reach compensation targets. Does not include regional campuses or College of Medicine and Public Health.

How will the remaining gap be closed?

Preliminary Proposed Modifications:

Revenue from increased Winter Quarter enrollments	\$1.0M
Implementation of all tuition increases Summer Quarter	0.7
Additional increase in non-resident surcharge	0.5
Charge regional campuses for courses taught to their students on the Columbus Campus	0.4
Redirect more of unrestricted gift money to General Fund scholarships	<u>1.0</u>
	3.6M
Still to be determined	<u>2.4</u>
	\$6.0M

NOTE: These numbers are preliminary and subject to change. A balanced budget for FY 2003 will be presented prior to June 30th.

Implications

- A. Progress on academic goals will be maintained, but at a slower pace than anticipated in the December 2000 Academic Plan and the February 1 proposal.
- B. These recommendations mean that planned and additional tuition increases will contribute no more than \$30 million to the FY 2003 solution of a \$71 million problem.
- C. Access for academically qualified students will be maintained.
- D. Students will benefit directly.
- E. OSU will remain a unique combination of excellence and affordability.
- F. Achieving these goals is dependent on maintaining existing levels of state support for FY 2002 and FY 2003.

- G. Significant resource gaps remain that need to be addressed in FY 2004 and beyond; this will require additional differential increases on new students for the next two or three years until tuition at Ohio State is commensurate with its mission and its role as the state's flagship university and it has the resources necessary to achieve the goals of the Academic Plan.

OSU will remain affordable

Ohio State will remain affordable compared to other public universities, even if those universities increase FY 2003 tuition by a smaller percentage amount.

For example, if other Ohio universities increase tuition by amounts already announced and by 6% for those who have not yet announced OSU will rank:

8th out of 13 on tuition for current students, and
6th out of 13 for new students

If other Big Ten universities raise tuition by the amount already announced and by 10% for those who have not yet announced, OSU will rank:

6th out of 10 for current students, and
6th out of 10 for new students.

If other Benchmark universities raise tuition by 10%, or the amount already announced, OSU will rank:

5th out of 10 for current students, and
5th out of 10 for new students.

What Happens Next?

March	Vote on undergraduate tuition levels for the Columbus Campus
April	Discussion of compensation goals Discussion of regional campus tuition goals
May	Vote on compensation plan
June	Vote on all other tuition and fees
July	Vote on complete budget package

Summary

1. A principled commitment to continue to improve the University's academic standing is critical to our students' future and the future of Ohio.
2. This commitment must be pursued despite historically weak state support and weakness in the state's economy.
3. The University has taken significant steps to achieve cost efficiencies and to increase revenue from other sources.
4. Nevertheless, a significant increase is needed in tuition for the FY 2003 academic year in order to preserve progress already made and to make additional progress.
5. The strategy recommended will limit the burden on current students.
6. Financial aid funds will be increased for all students (including new students) so students who are otherwise qualified will not be denied admission for financial reasons.
7. Even after the proposed increases, the University's tuition still will not exceed the mid-point of Big Ten public universities or the tuition of any of Ohio's other public universities with selective admissions.
8. The additional funds will be used to preserve gains already made by providing market level compensation to faculty and staff and to continue to make improvements in student life both inside and outside the classroom, which is critical to the success of the Academic Plan.
9. Achievement of these goals is based on the assumption that state support will be maintained at current levels for FY 2002 and FY 2003.
10. Significant resource issues remain to be addressed in FY 2004 and beyond. This will require additional differential increases for new students in future years so that the goals of the Academic Plan can be achieved.
11. The Ohio State University will continue to be a great investment for our students and for the people of Ohio.

(APPENDIX XXVII)

ENDOWMENT INVESTMENTS POLICY

SUMMARY

As discussed in Investments Committee, we request the Endowment Fund Investments Policy be modified to adjust asset allocation ranges and targets, and certain dollar limitations of authorized investments. The asset allocation ranges have been widened to allow for market fluctuations. The target for alternative investments has been increased from 8% to 13%. The target for U.S. Large-Cap Stocks has decreased from 45% to 40%.

Dollar limitations of investment in individual companies/entities has been increased from: \$3 million to \$5 million for Commercial Paper, Banker's Acceptances, Eurodollar CD's and Time Deposits, Municipal Bonds, and Collateralized Mortgage Obligations; and from \$1 million to \$3 million for Guaranteed Investment Contracts and Asset Backed Securities.

ENDOWMENT FUND INVESTMENTS POLICY

I. Goal

It shall be the policy of The Ohio State University to manage the Endowment Fund for the use and benefit of the University in a manner that will preserve and maintain the real purchasing power of the principal in a diversified portfolio while allowing for an annual distribution of income according to this policy.

II. Investment Philosophy

The Endowment fund shall be managed with the intention of obtaining the highest possible "total return" (i.e., current income plus net realized and unrealized appreciation) of the investment portfolio, balancing reasonable growth with maintenance of prudently acceptable risk.

III. Limitations

A. The Endowment Fund will have an asset allocation range and a target allocation as follows:

	RANGE	TARGET ALLOCATION
U.S. LARGE CAP STOCKS	30% TO 50%	40%
U.S. SMALL CAP STOCKS	15% TO 35%	25%
INTERNATIONAL STOCKS	5% TO 10%	7%
FIXED INCOME	10% TO 25%	15%
ALTERNATIVE INVESTMENTS	5% TO 20%	13%
CASH	0% TO 10%	0%
TOTAL ENDOWMENT		100%

B. For purposes of these limitations, the amounts recommended to be maintained in short-term Investments by the investment advisors shall be considered as invested in their asset class.

C. New money received by the Endowment may be placed by the Treasurer in Index funds in amounts to maintain the Investment Limitations aforementioned until such time as the Board of Trustees reallocates such funds.

D. The Treasurer may specify terms and conditions that are more restrictive than those of this Policy but shall not permit a less restrictive policy without specific authorization from The Board of Trustees.

E. The quality rating guidelines which are to be used shall be the ratings as of the date of the purchase of the security. If a rating change occurs which disqualifies a security that is already present in the portfolio, the security must be sold within ninety days from the discovery of the rating change.

IV. Gains/Losses

- A. It shall be permissible for the Treasurer to realize gains and losses in the portfolio if such an action would be consistent with the University's investment goals.
- B. In order to maintain the purchasing power of the endowment as well as maintain an orderly distribution of income under the Endowment Fund's spending policy, a stabilization reserve account shall be maintained. The stabilization reserve account shall be used to account for any excess (deficit) of income earned versus monies distributed to the endowment funds.

V. Income Distribution Policy

Income will be distributed to Endowment Funds at the beginning of each fiscal year according to a formula based upon a distribution of 5.0% of the average market value of the portfolio over the most recent three years. New monies placed in the Endowment Fund will receive an income distribution prorated by the month of the fiscal year received.

VI. Advisors

The University may utilize the services of external investment advisors to assist in the management of the endowment. The responsibilities and types of investment services provided by investment advisors shall be specified in written agreements. The investment advisors appointed by the Board of Trustees will invest the assets in accordance with this policy, their written agreement and their judgements concerning relative investment values. The Board may appoint an advisor with specific authority to invest in assets not otherwise addressed in this policy. The investment advisors are accorded full discretion, within policy limits, to select individual securities, and diversify the assets. The number of advisors and the amount of funds under each advisors aegis shall be determined by the Board of Trustees.

Advisors performance will be measured against an appropriate benchmark. Passive managers are expected to equal the benchmark while active managers are expected to exceed the benchmark net of fees.

VII. Marketability

Securities purchased by the endowment shall be listed on the New York, American or other exchange or be unlisted and traded over-the-counter provided that all securities purchased shall be readily marketable and meet the quality guidelines of this Policy. Real estate purchases will be based on investment merit. Real Estate and Private Equities must undergo periodic appraisals by a qualified third party appraiser. Investments that have no ready market that are gifts to the University shall only be accepted if, as determined by the Treasurer, acceptance is in the best interest of the University.

VIII. Proxies

The Treasurer has the authority to vote proxies in accordance with the proxy policy approved by the Investments Committee of the Board of Trustees.

IX. Authorized Investments

The following categories of investments shall be authorized for the endowment:

- A. Commercial Paper

1. Rated A-1 (Standard and Poor's) and P-1 (Moody's), not more than \$5,000,000 in any corporation or financial institution.

2. Commercial paper must have a term less than 270 days.

B. Banker's Acceptances

1. An amount not to exceed \$5,000,000 in any bank, or subsidiaries of that bank whose long-term debt is rated A or better.

2. Banker's acceptances must have a term less than 270 days.

C. Eurodollar CD and time deposits

1. An amount not to exceed \$5,000,000 in any bank, or subsidiaries of that bank with a long-term debt rating of BBB or better.

2. Eurodollars shall have a term less than one year.

D. Corporate Bonds and Notes

1. No bond or note shall be purchased in an amount greater than \$5,000,000 par value of any corporation.

2. Bonds and notes shall be rated BBB or better.

3. Corporate bonds or notes shall have a term less than 40 years.

4. Foreign Bonds may be purchased provided they comply with items 1 thru 3 of this section and are denominated in U.S. dollars.

E. Common Stock and Preferred Stock

An amount not to exceed 3% of the outstanding shares of a company may be purchased. All stock shall be of investment grade.

F. Mutual and Commingled Funds

Investment in any fund shall not exceed 10% of the total funds of the mutual or commingled fund. All mutual or commingled funds shall comply with the Authorized Investment provisions of this policy (see Section IX). Money market mutual funds shall not apply to this section (see Section N).

G. Municipal or State Bonds

1. An amount not to exceed \$5,000,000 in any one municipality or state (except that there shall be no limit on Ohio State University or Ohio State University-related bonds).

2. Bonds shall be rated BBB or better (except that there shall be no rating requirement on Ohio State University or Ohio State University-related bonds).

3. No bonds shall be purchased with a term greater than 40 years.

H. Certificates of Deposit

1. Collateralized at market value

Not to exceed \$5,000,000 in any bank or savings and loan whose long-term debt is rated A or better provided the amount not federally insured is collateralized as provided in Section 135.18 of the Ohio Revised Code with securities eligible under Section 135.18 (B).

2. Certificate of deposit shall have a term not exceeding one year.

I. U.S. Treasury Bills, Notes and Bonds

No limitations on amount invested or term.

J. U.S. Government Agencies

No limitations on amount invested or term.

K. Repurchase Agreements

Not to exceed \$10,000,000 with any dealer or broker recognized by the Federal Reserve as a primary dealer or any bank whose long-term debt is rated A or better and only provided a written repurchase agreement is in place. The term of any agreement shall not exceed 15 days. Collateral must be U.S. government or agency securities at 102% or more of market value. Collateral must be segregated in an account bearing the University's name, except when there already exists a demand deposit account.

L. Reverse Repurchase Agreements

Not to exceed \$10,000,000 with any dealer or broker recognized by the federal reserve as a primary dealer or any bank whose long term debt is rated A or better or only provided a written agreement is in place. The term of any agreement shall not exceed 15 days.

M. Money Market Mutual Funds

1. Government collateralized

There shall be no limitations on the amount invested provided it is 100% collateralized at market value by U.S. government or agency securities.

2. Other collateral

There shall be no limitations on the amount invested provided it is 100% collateralized by marketable securities that comply with all other provisions set forth in this policy.

N. Guaranteed Investment Contracts (GIC)

1. An amount not to exceed \$3,000,000 can be placed with any insurance company with assets in excess of \$5 billion and a long-term debt rating of A or better.

2. GIC's must be 100% collateralized with U.S. treasuries, agencies or corporate bonds rated A or better.

3. No GIC shall be purchased with an expected life greater than 5 years.

O. Collateralized Mortgage Obligations (CMO)

1. An amount not to exceed \$5,000,000 may be invested in any one issuer.

2. CMO's must be rated AAA.

3. No CMO shall be purchased with an expected life greater than 30 years.

P. Asset Backed Securities (ABS)

1. An amount not to exceed \$3,000,000 may be invested in any one issuer.

2. ABS's must be rated AAA.

3. No ABS shall be purchased with an expected life greater than 5 years.

Q. Securities Lending

Equity and Fixed Income securities not to exceed 30% of the Endowment may be Loaned on condition the loan is secured. Collateral must be cash or U.S. Government Agency securities at 102% or more market value. Lending may be done with any dealer or broker recognized by the Federal Reserve of a primary dealer or any bank whose long term debt rating is A or better and only provided a written agreement is in place.

R. Alternative Investments

Alternative investments may be made only by a professional investment advisor (See Article VI.) unless specifically authorized by the Board of Trustees.

S. Other Investments

Between meetings of the Board of Trustees, if deemed advisable, other investments not specifically authorized by this Policy may be made if approved by the Investments Committee of the Board of Trustees. Any such action shall be taken to the Board of Trustees for approval at its next meeting.

X. Management of Investments

Except as provided herein, the Treasurer shall be authorized to implement and administer this Policy on behalf of the Board of Trustees and manage the endowment in accordance with this Policy.

XI. Exceptions

Modifications and exceptions to this Policy shall be authorized only by resolution of the Board of Trustees or as provided herein. The terms and conditions of this Policy as to the endowment portfolio may be waived if specified by the terms of a gift and approved by the Board of Trustees.

XII. Reporting and Accountability

The Treasurer shall be accountable to the Board of Trustees for implementing this Policy. The Treasurer shall make a written report to the Investments Committee at each regular meeting on the status of the Endowment Fund.

XIII. Support Level Required to Establish an Endowment Fund

- A. A *Named Endowed Chair* will be established in the Endowment with support of \$1,500,000 or more and the distributed income will be used to provide supplemental compensation and academic support funds for chairholder.
- B. A *Named Endowed Professorship* will be established in the Endowment with support of \$750,000 or more and the distributed income will be used to provide supplemental compensation and academic support for faculty member.
- C. A *Named Endowed Distinguished Visitor* will be established in the Endowment with support of \$500,000 or more and the distributed income will be used to provide funds to bring a distinguished visitor to the University for a limited time, generally from one week to one year. This category of endowed faculty funds may be used for distinguished scholars, teachers, lecturers, research investigators, artists, writers, executives-in-residence, or others in association with activities that advance the academic, interdisciplinary, diversity, and other educational goals of the University, its colleges and programs.
- D. A *Named Endowed Faculty Award* will be established in the Endowment with Support of \$250,000 or more and the distributed income will be used to provide funds to recruit or retain outstanding faculty and provide them with academic support funds to enhance their work. Also designed to help meet the University's diversity goals.
- E. A *Named Dean's Leadership Fund* will be established in the Endowment with support of \$100,000 or more and the distributed income will be used to provide funds to allow deans to support existing or new faculty endeavors, promote promising initiatives across or among colleges, support lecturer series, and generally promote the goals of the college.
- F. A *Named Scholarship* will be established in the Endowment with support of \$100,000 or more and the distributed income will be used to provide general University scholarships for a diverse group of students according to financial need as determined by federal guidelines, or provides scholarship assistance for students based on performance (i.e., musicians, artists, dancers, athletes, etc.), and for minority students.
- G. A *Named Graduate Fellowship* will be established in the Endowment with support of \$250,000 or more and the distributed income will be used to provide funds for a diverse group of outstanding graduate and professional students including minority students based on criteria established by colleges and departments.
- H. A *University Scholar Merit Scholarship* will be established in the Endowment with support of \$25,000 or more and the distributed income will be used to provide \$1,000 to incoming students who graduated at the top of their high school class and who have high test scores.
- I. A *Medalist Scholar Merit Scholarship* will be established in the Endowment with support of \$75,000 or more and the distributed income will be used to provide in-state tuition awards for 30 incoming students who score among the best in and on campus competition.

- J. A *Distinguished Scholar Merit Scholarship* will be established in the Endowment with support of \$150,000 or more and the distributed income will be used to provide awards of in-state tuition and a stipend toward room and board for qualifying National Merit and National Achievement Scholars.
- K. A *Presidential Scholar Merit Scholarship* will be established in the Endowment with support of \$250,000 or more and the distributed income will be used to provide an in-state full-ride award for ten incoming students who score at the very top in and on-campus competition.
- L. A *Named Endowed Fund* will be established in the Endowment with support of \$25,000 or more and the distributed income will be used to provide an enduring memorial to the donor and bear the donor's name or an appropriate name of the donor's designation. The fund will be invested and the income used to provide support for a program designated by the donor and approved by the University.

**Waivers of Competitive Bidding Requirements
October-December 2001**

<u>Category</u>	<u>Total</u>		<u>Sole Source</u>		<u>Emergency</u>		<u>Sufficient Economic Reason</u>	
Hospitals - Professional Health Care Services	\$8,898,634	12	\$5,214,508	2	\$1,350,000	1	\$2,334,126	9
Hospitals - Equipment and Services	\$3,353,836	18	\$2,135,115	12	\$120,000	1	\$1,098,721	5
Merchandise for Resale	\$60,000	1	\$60,000	1	\$0	0	\$0	0
Instructional and Research Equipment and Services	\$2,460,248	20	\$1,819,206	10	\$0	0	\$641,042	10
Administrative Support Equipment and Services	\$1,920,970	17	\$689,697	6	\$630,064	7	\$601,209	4
Conference Facilities	\$52,874	1	\$52,874	1	\$0	0	\$0	0
TOTAL	\$16,746,562	69	\$9,971,400	32	\$2,100,064	9	\$4,675,098	28

(APPENDIX XXVIII)

Report on Waivers of Competitive Bidding Requirements: October-December 2001

Category and Waiver Description	Total		Sole Source		Emergency		Sufficient Econ. Reason	
Hospitals - Professional Health Care Services	\$8,898,634	12	\$5,214,508	2	\$1,350,000	1	\$2,334,126	9
Physician services - Ohio Dept of Rehab. & Correction	\$5,214,508	2	\$5,214,508	2				
Nursing services - HPO Staffing Inc.	\$1,350,000	1			\$1,350,000	1		
Physician services - Univ. Psychiatric Physicians	\$1,030,407	2					\$1,030,407	2
Prof billing and collection services - Univ. Physician Systems	\$496,000	2					\$496,000	2
Physician fees - Family Medicine Foundation	\$450,000	1					\$450,000	1
Physician services - OSU Sports Medicine Physicians	\$195,198	3					\$195,198	3
Pathology services - University Pathology Services Inc.	\$162,521	1					\$162,521	1
Hospitals - Equipment and Services	\$3,353,836	18	\$2,135,115	12	\$120,000	1	\$1,098,721	5
Heart Hospital Generator Equipment	\$806,500	1	\$806,500	1				
Firestopping - for walls throughout Hospital	\$699,850	1					\$699,850	1
Robotic surgical system support services	\$200,000	2	\$200,000	2				
Consulting services - Automated Guided Vehicle System	\$191,840	1	\$191,840	1				
Software license & hardware/software upgrade	\$184,730	1	\$184,730	1				
Blood lancets for Blood Glucose Program	\$170,100	1					\$170,100	1
Heart/lung pump equipment for surgery	\$120,036	1	\$120,036	1				
IDX user fees- Management services	\$120,000	1					\$120,000	1
Printer maintenance, service and toner	\$120,000	1			\$120,000	1		
Monthly transaction fees for HDX system	\$120,000	1	\$120,000	1				
Clinical information system	\$107,826	1	\$107,826	1				
Breast biopsy accessories	\$105,580	1	\$105,580	1				
Reference lab testing	\$105,000	1	\$105,000	1				
Cardiac rehab and stress testing	\$78,000	1					\$78,000	1
VAD blood pumps	\$69,130	1	\$69,130	1				
Disposable heart implant system	\$68,250	1	\$68,250	1				
Client server upgrade - Treatment Planning System	\$56,223	1	\$56,223	1				
Mobile C-Arm X-Ray unit - Radiation equipment	\$30,771	1					\$30,771	1

Report on Waivers of Competitive Bidding Requirements: October-December 2001

Category and Waiver Description	Total		Sole Source		Emergency		Sufficient Econ. Reason	
Merchandise For Resale	\$60,000	1	\$60,000	1	\$0	0	\$0	0
Food for restaurant - University Golf Course	\$60,000	1	\$60,000	1				
Instructional & Research Equipment & Services	\$2,460,248	20	\$1,819,206	10	\$0	0	\$641,042	10
Program acquisition for radio/ tv broadcast - WOSU Stations	\$973,731	2	\$973,731	2				
Lab Equipment - Ohio Micro MD Lab	\$475,450	1	\$475,450	1				
Benchmark staining system - Pathology	\$100,000	1	\$100,000	1				
Probe arrays/reagents - Human & Cancer Genetics	\$100,000	1					\$100,000	1
Network installation and testing - Veterinary Med Administration	\$99,149	1					\$99,149	1
Telephone Equipment - Center for Human Resource Research	\$96,278	2					\$96,278	2
Cessna aircraft 172P - University Airport	\$79,000	1					\$79,000	1
Network branch exchange - Center/Human Resource Research	\$71,523	1					\$71,523	1
Postbox e-mail conversion/final phase - OIT Enterprise Networking	\$65,100	1					\$65,100	1
Catering sevices - Civil, Environmental Engineering & Geodetic Science	\$61,433	1	\$61,433	1				
Trimble GPS receiver - Civil , Environmental Engineering & Geodetic Science	\$60,000	1					\$60,000	1
Educational training service - Marion Campus	\$55,386	1	\$55,386	1				
Modulated DSC system - Dentistry Equipment	\$80,420	2	\$54,000	1			\$26,420	1
Sevice agreement for fit out of lab - Ohio MicroMD Lab	\$43,572	1					\$43,572	1
DNA amplification system - Molecular Vir, Imm & Med Gen	\$37,480	1	\$37,480	1				
Microplate reader combination system - Surgery	\$34,840	1	\$34,840	1				
Custom design/building of trailer - OARDC Horticulture & Crop Science	\$26,886	1	\$26,886	1				
Administrative Support Equipment & Services	\$1,920,970	17	\$689,697	6	\$630,064	7	\$601,209	4
Software - High Performance Computing - Ohio Supercomputer Center	\$629,000	3	\$79,000	1			\$550,000	2
Temporary custodial services - Contract Services	\$372,899	3			\$372,899	3		
Support for COMIT telecommunications system - UNITS	\$358,585	1	\$358,585	1				
Officiating fees and expenses - Athletics	\$157,970	2	\$157,970	2				
Charter services - Athletics	\$129,862	1			\$129,862	1		
Consulting Services - Physical Facilities	\$94,142	2	\$94,142	2				
Catering Services - Commencement & Official Events Operation	\$91,403	2			\$91,403	2		
Shuttle bus - Transportation and Parking Services	\$35,900	1			\$35,900	1		
Furniture - Student Affairs	\$26,079	1					\$26,079	1
Computer equipment - Buck ID	\$25,130	1					\$25,130	1

Report on Waivers of Competitive Bidding Requirements: October-December 2001

Category and Waiver Description	Total		Sole Source		Emergency		Sufficient Econ. Reason	
Conference Facilities	\$52,874	1	\$52,874	1	\$0	0	\$0	0
Reading Recovery Fall Institute - Hyatt on Capitol Square	\$52,874	1	\$52,874	1				
TOTAL	\$16,746,562	69	\$9,971,400	32	\$2,100,064	9	\$4,675,098	28

(APPENDIX XXIX)

Heart Hospital**315-1999-939****PROJECT CAPTAIN:**

Lori Seeger, Facilities Planning & Development - Architecture, 688-3757

REQUESTING AGENCY:

Office of Health Sciences

PROJECT LOCATION:

V0010-Site - See Comments.

AGE:

N/A

GR. SQ. FT.:

N/A

PROJECT DESCRIPTION:

This project will construct a new heart hospital to house an integrated cardiothoracic surgery and cardiology program. The facility will include inpatient services, surgical services, diagnostic and treatment services, outpatient clinic, clinical support staff area, administrative support, and cardiac rehabilitation services space.

MILESTONES:

	Projected	Revised	Actual
Arch/Eng Approved B/T	7/7/2000		7/7/2000
Constr Mgr Approved B/T	2/2/2001		2/2/2001
Bidding Approved B/T	12/1/2000	3/1/2002	
Arch/Engr Contract	2/15/2001	1/2/2002	12/19/2001
Schematic Design Approval	6/20/2001	1/2/2002	2/4/2002
Design Development Approval	10/30/2001	4/15/2002	
Construction Document Approval	1/1/2001	10/10/2002	
Bid Opening	3/15/2001	3/8/2002	
Award of Contracts	4/18/2002	5/8/2002	
Construction Start	8/1/2002		
Report of Award to B/T	11/1/2001	2/7/2003	
Completion	3/31/2003	8/23/2004	

FUNDING INFORMATION:

Future University Bond Issues	\$ -	\$ 69,590,000.00	
HB640 Line Item Appropriation	2,610,000	2,610,000	
Development-University Hospitals	63,790,000	10,000,000	
Total	\$ 66,400,000	\$ 82,200,000	

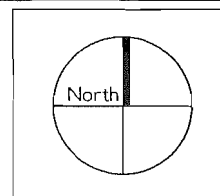
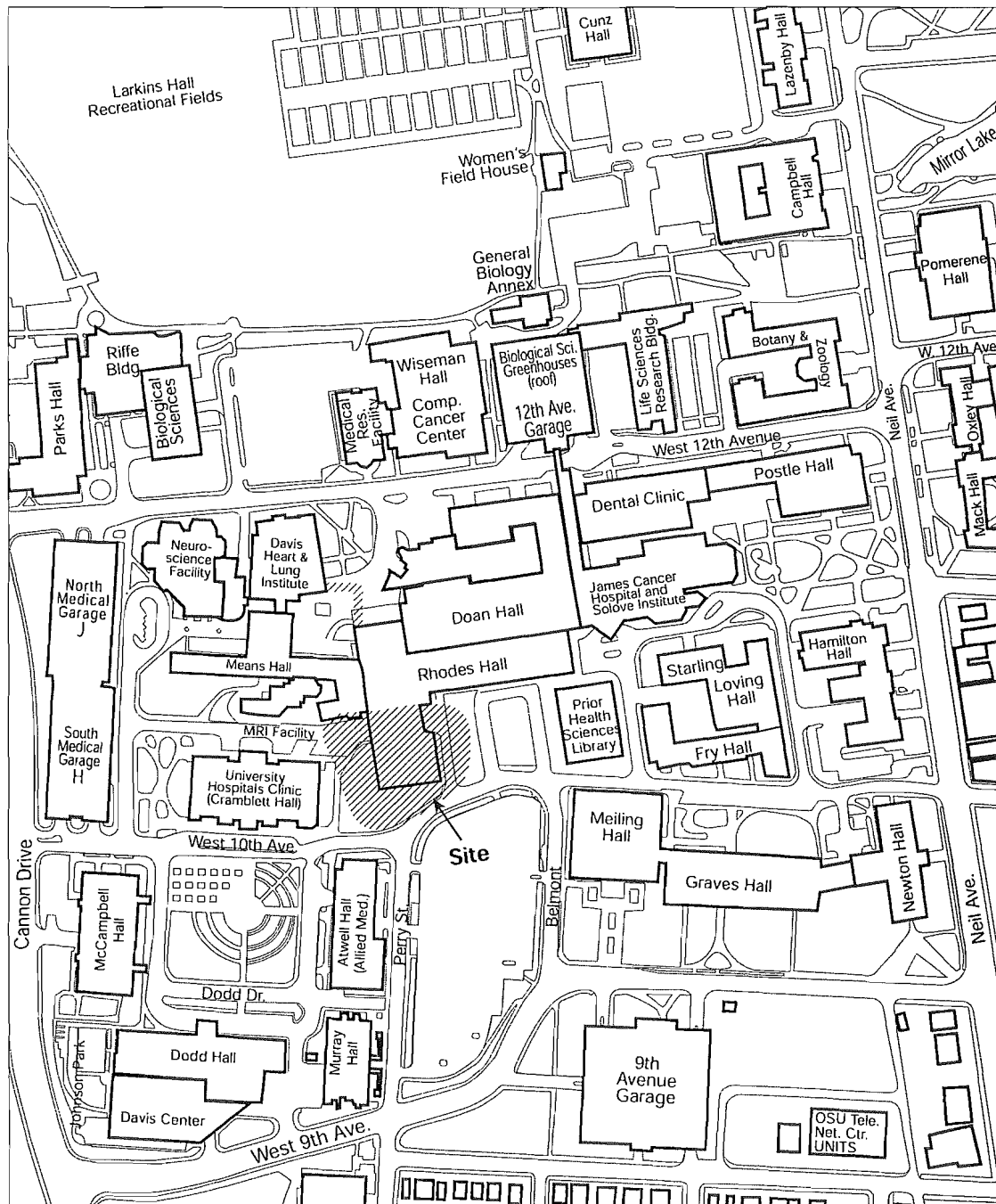
USES:

Constr. Mgr.	\$ -	\$ 2,805,000	
Construction	37,000,000	51,000,000	
Cont. Medical	-	37,764	
Contingency	4,181,000	6,700,000	
Design	2,775,000	4,395,236	
Equipment	22,000,000	16,650,000	
Univ. Administration	444,000	612,000	
Total	\$ 66,400,000	\$ 82,200,000	

COMMENTS:

Site - Rhodes Hall Auditorium. Project is anticipated to be bid in multiple phases starting in March 2001. The milestone dates reflect the first phase start and the third phase completion. Project budget increased because of the site relocation from the Neuropsychiatric facility to a new building on the site of Rhodes Hall Auditorium which allows the building to function and operate more efficiently.

Heart Hospital



Office of Business and Finance
Office of Facilities Planning and Development

January 19, 2001

Ohio 4-H Center**315-2000-911****PROJECT CAPTAIN:**

Marjory Trishman Spangler, Facilities Planning & Development - Architecture, 292-5704

REQUESTING AGENCY:

OSU Extension

PROJECT LOCATION:**AGE:****GR. SQ. FT.:**

V0010-Site - See Comments.

PROJECT DESCRIPTION:

This project consists of the demolition of Dakan Hall and the planning, programming, design, FF&E, site planning and construction administration of the new Ohio 4-H Center. The new structure will include space for the OSU 4-H Youth Development staff, the OSU Extension programs, and those programs from the College of Food, Agricultural, and Environmental Sciences who will interact with 4-H. Outdoor program space, outdoor amenities, and parking is also included.

MILESTONES:

	Projected	Revised	Actual
Arch/Eng Approved B/T	3/1/2002		
Bidding Approved B/T	3/1/2002		
Arch/Engr Contract	7/1/2002		
Schematic Design Approval	9/30/2002		
Design Development Approval	11/25/2002		
Construction Document Approval	3/17/2003		
Bid Opening	5/6/2003		
Award of Contracts	6/16/2003		
Construction Start	6/16/2003		
Report of Award to B/T	8/1/2003		
Completion	7/1/2004		

FUNDING INFORMATION:

Ohio 4-H Foundation Board	\$	9,110,627		
Total	\$	9,110,627		

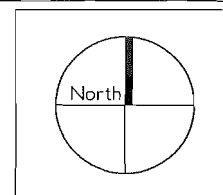
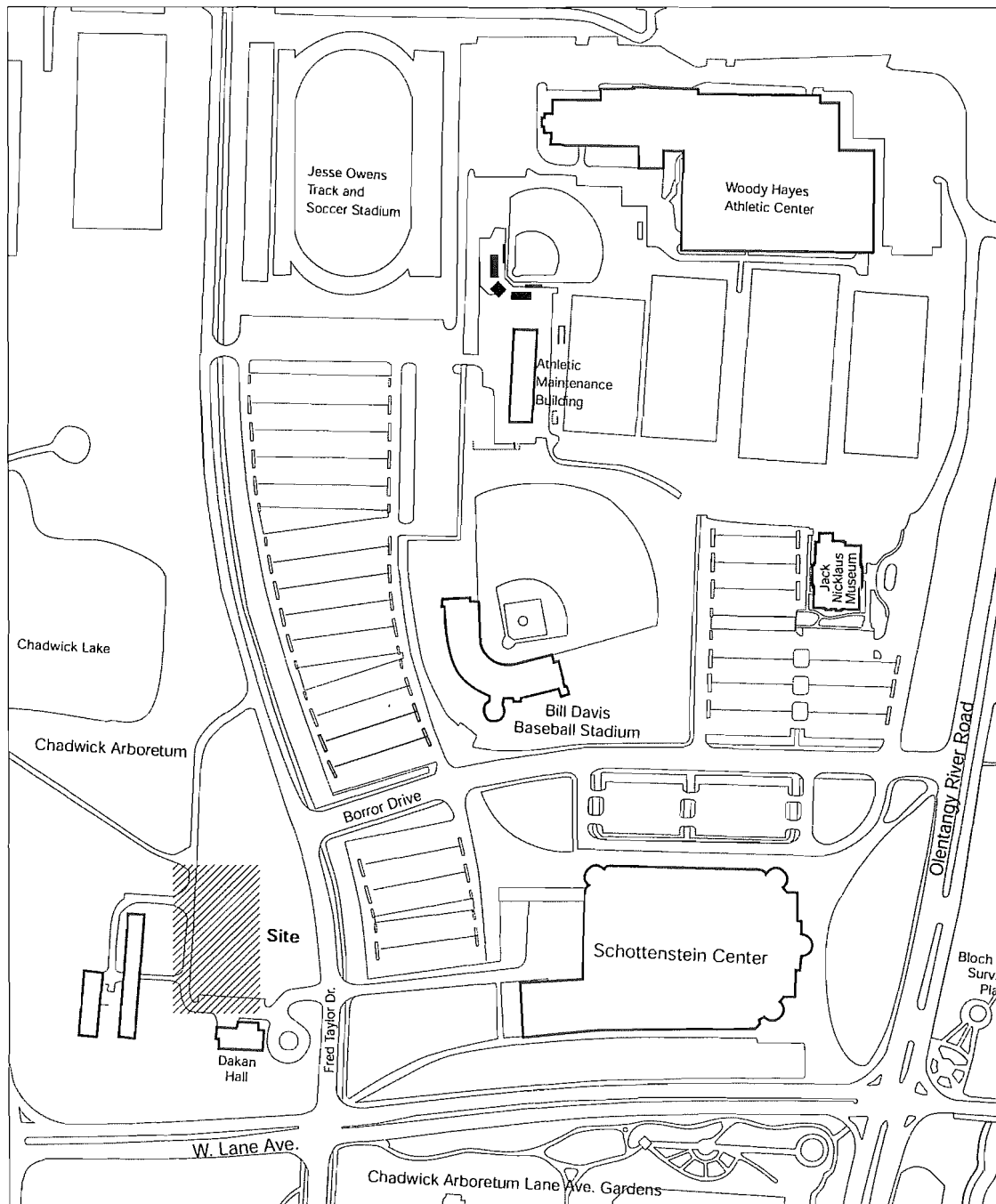
USES:

Construction	\$	6,628,751		
Contingency		1,126,888		
Design		596,588		
Equipment		662,875		
Moving		9,351		
Univ Administration		86,174		
Total	\$	9,110,627		

COMMENTS:

A study was made to determine whether renovating a current building or building a new facility would be the most feasible. Building to be constructed on the site north of the existing Dakan Hall.

Ohio 4-H Center



Office of Business and Finance
Office of Facilities Planning and Development

February 19, 2002

Multi-Purpose Turf Field**315-1999-188-2****PROJECT CAPTAIN:**

David L. Chapman, Facilities Planning & Development - Architecture, 292-5715

REQUESTING AGENCY:

Recreation and Intramural Sports

PROJECT LOCATION:**AGE:****GR. SQ. FT.:**

O0000-Unidentified Mall, Plaza,Green-Col.

PROJECT DESCRIPTION:

Installation of a new 130 yard turf field sited on the northwest field of the Larkins four-field complex including installation of turf field lighting and filming platform. The outdoor artificial surface field will have a dual role in that it will not only be the practice field of for the marching band but it will also be scheduled for club sports through the Department of Recreational Sports. Multiple field striping overlaid on top of each other, differentiated by color, will allow the field to be used for men's and women's soccer, lacrosse and field hockey, as well as flag football. In addition, the field will also be equipped with an outdoor lighting system which will extend the use of the field significantly.

MILESTONES:

	Projected	Revised	Actual
Arch/Eng Approved B/T	3/1/2002		
Bidding Approved B/T	3/1/2002		
Construction Document Approval	2/26/2002		
Bid Opening	4/16/2002		
Award of Contracts	6/4/2002		
Construction Start	6/11/2002		
Report of Award to B/T	7/12/2002		
Completion	9/17/2002		

FUNDING INFORMATION:

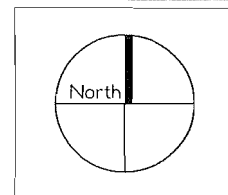
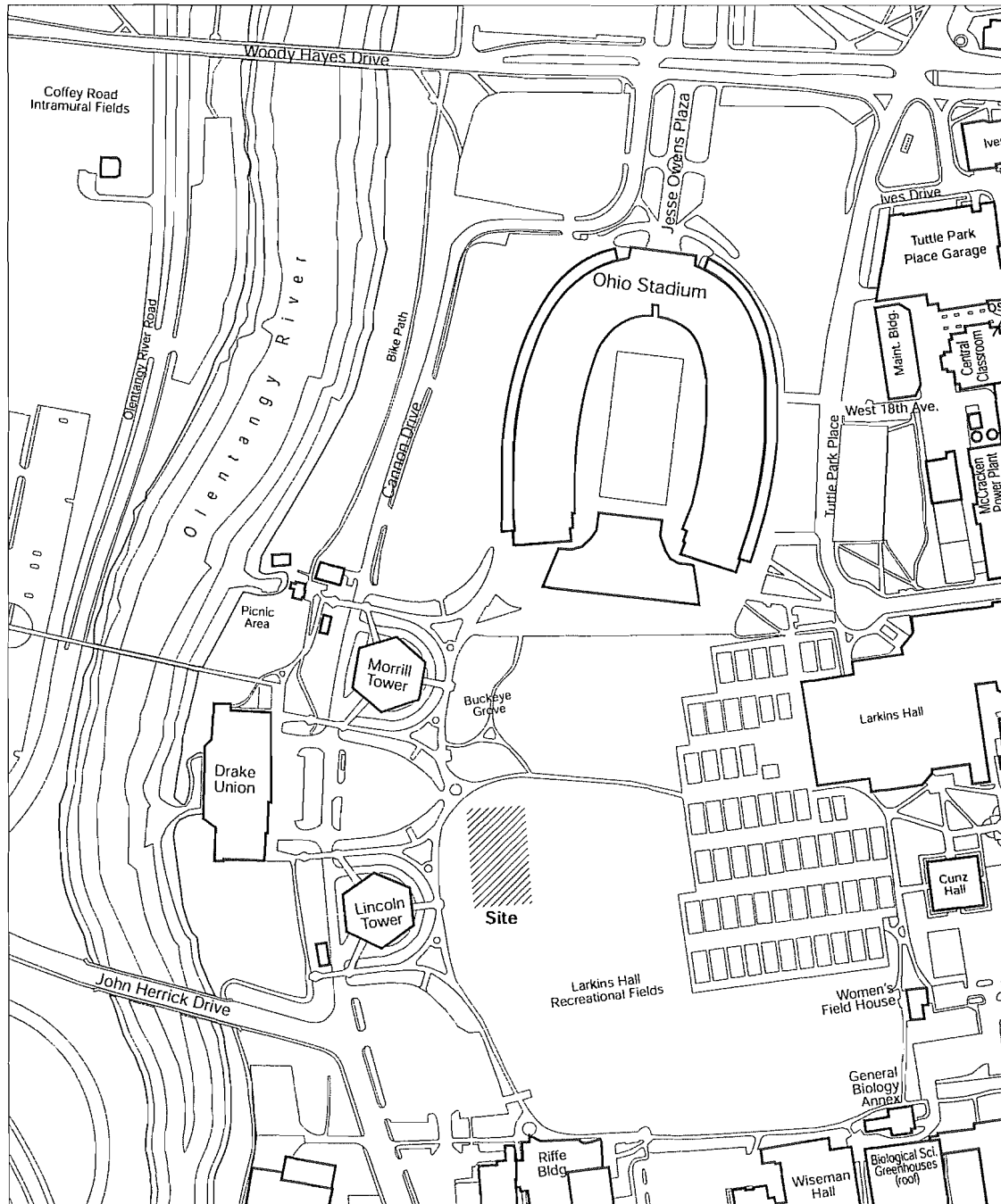
Future Univ. Bond Issues	\$	264,000		
Gift Monies - Coca Cola		140,000		
Development-Business & Admin		671,000		
General Funds-Business & Admin		150,000		
Total	\$	1,225,000		

USES:

Construction	\$	1,018,010		
Contingency		114,758		
Design		79,868		
Univ. Administr		12,364		
Total	\$	1,225,000		

COMMENTS:

Multi-Purpose Turf Field



Office of Business and Finance
Office of Facilities Planning and Development

February 15, 2002

Lab Animal Facility Expansion

315-2001-932

PROJECT CAPTAIN:

Jack Bargaheiser, Facilities Planning & Development - Architecture, 247-7607

REQUESTING AGENCY:

Office of Research

PROJECT LOCATION:

0201-LABORATORY ANIMAL CENTER BUILDING 1

AGE:

1971

GR. SQ. FT.:

23,811

PROJECT DESCRIPTION:

Building #1 at the Lab Animal Facility, Godown Road was built in 1972. The building is not adequate to house animals requiring closely monitored HVAC and light requirements. The ULAR is proposing that three modular buildings be used to house animals of the LAC. Electric, water, and sewage hookups, a concrete pad, outside lighting, security hookups and a covered pathway to Building.

MILESTONES:

	Projected	Revised	Actual
Constr Mgr Approved B/T	3/1/2002		
Construction Document Approval	3/18/2002		
Construction Start	3/29/2002		
Report of Award to B/T	12/6/2002		
Completion	4/29/2002		

FUNDING INFORMATION:

General Funds-Research	\$	500,000	\$	-	\$	-
Total	\$	500,000	\$	-	\$	-

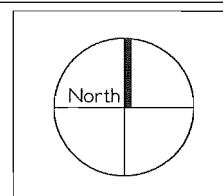
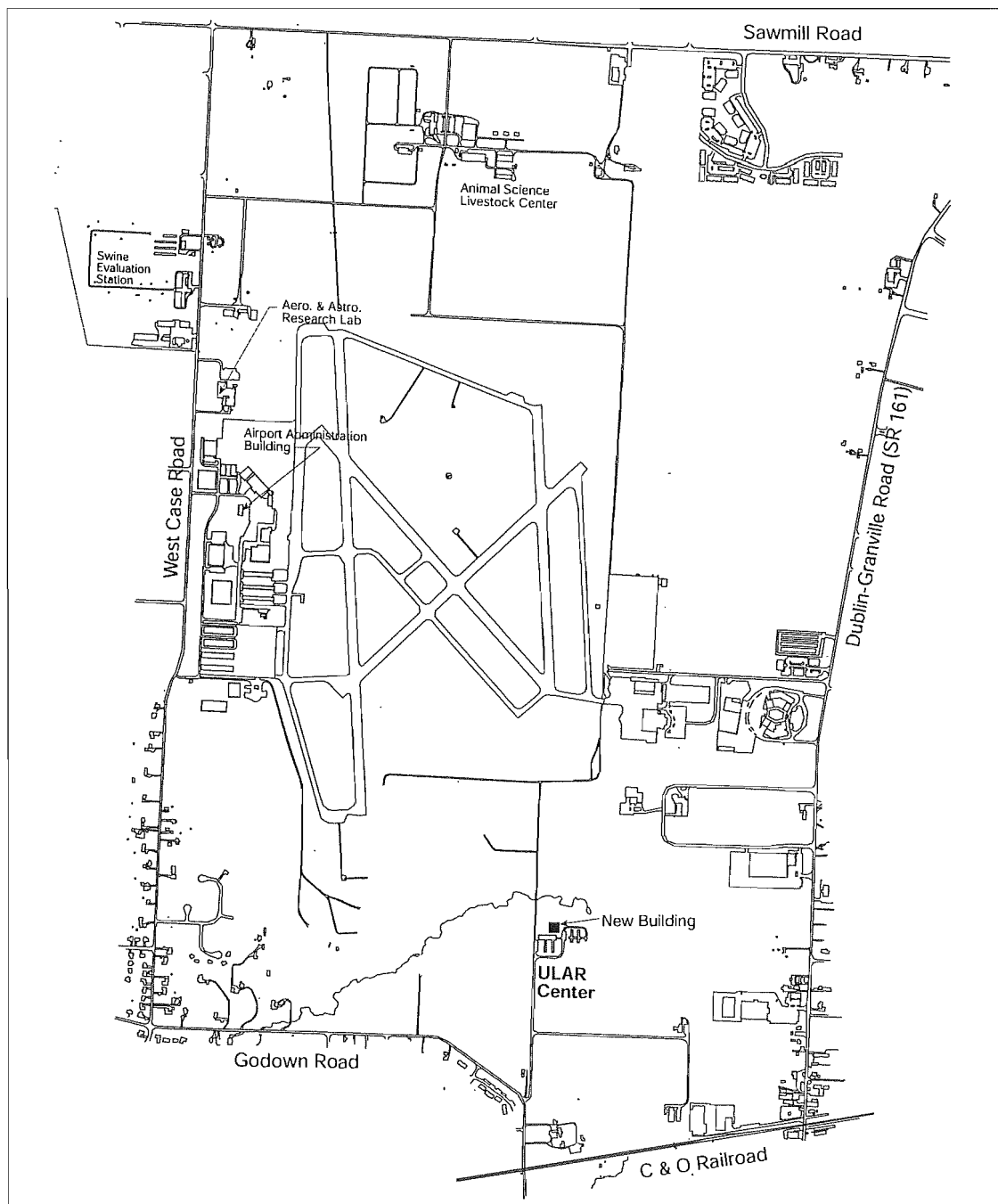
USES:

Construction	\$	459,894	\$	-	\$	-
Contingency		33,476				
Univ. Administr		6,630				
Total	\$	500,000	\$	-	\$	-

COMMENTS:

Project formerly known as 50700-R011661.

Laboratory Animal Facility Expansion



Office of Business and Finance
Office of Facilities Planning and Development

February 7, 2002

PROJECT CAPTAIN:

Marjory Trishman Spangler, Facilities Planning & Development - Architecture, 292-5704

REQUESTING AGENCY:

ATI Administration

PROJECT LOCATION:

AGE:

GR. SQ. FT.:

V0008-Various Locations-ATI

PROJECT DESCRIPTION:

Complete the exterior courtyard including landscaping. This is the final phase of the Shisler/CEED Project.

MILESTONES:

	Projected	Revised	Actual
Arch/Eng Approved B/T	3/1/2002		
Bidding Approved B/T	3/2/2002		
Arch/Engr Contract	4/12/2002		
Construction Document Approval	5/17/2002		
Bid Opening	6/15/2002		
Construction Start	8/5/2002		
Report of Award to B/T	12/6/2002		
Completion	10/31/2002		

FUNDING INFORMATION:

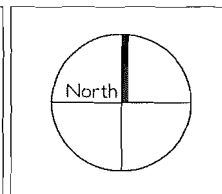
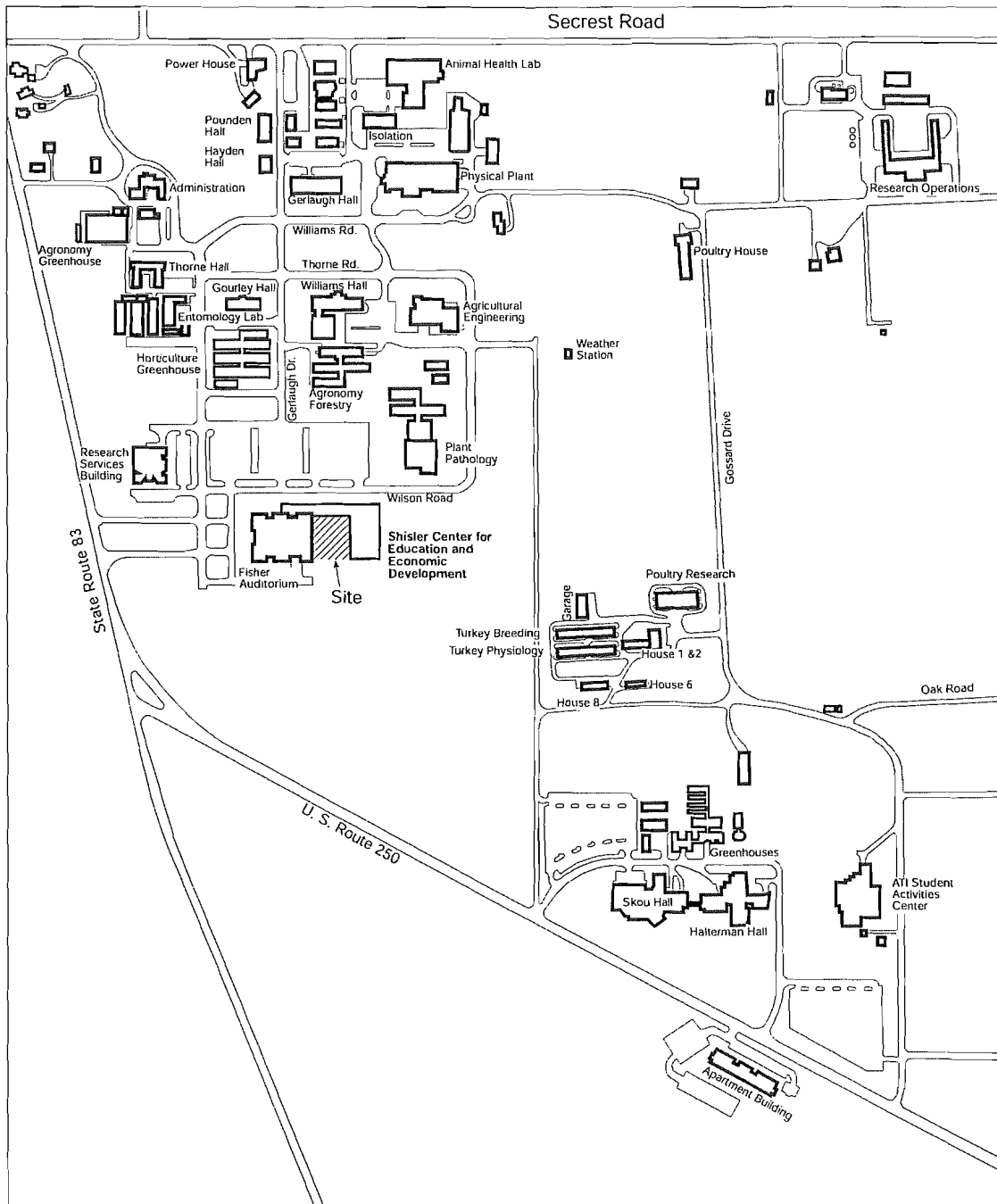
HB640 ATI Basic-Renovations	\$	300,000	\$	-	\$	-
Total	\$	300,000	\$	-	\$	-

USES:

Construction	\$	255,975	\$	-	\$	-
Contingency		24,827				
Design		15,359				
Univ. Administr		3,840				
Total	\$	300,000	\$	-	\$	-

COMMENTS:

ATI - Shisler Center Courtyard



Office of Business and Finance
Office of Facilities Planning and Development

February 7, 2002

(APPENDIX XXIX)

Heart Hospital**315-1999-939****PROJECT CAPTAIN:**

Lori Seeger, Facilities Planning & Development - Architecture, 688-3757

REQUESTING AGENCY:

Office of Health Sciences

PROJECT LOCATION:

V0010-Site - See Comments.

AGE:

N/A

GR. SQ. FT.:

N/A

PROJECT DESCRIPTION:

This project will construct a new heart hospital to house an integrated cardiothoracic surgery and cardiology program. The facility will include inpatient services, surgical services, diagnostic and treatment services, outpatient clinic, clinical support staff area, administrative support, and cardiac rehabilitation services space.

MILESTONES:

	Projected	Revised	Actual
Arch/Eng Approved B/T	7/7/2000		7/7/2000
Constr Mgr Approved B/T	2/2/2001		2/2/2001
Bidding Approved B/T	12/1/2000	3/1/2002	
Arch/Engr Contract	2/15/2001	1/2/2002	12/19/2001
Schematic Design Approval	6/20/2001	1/2/2002	2/4/2002
Design Development Approval	10/30/2001	4/15/2002	
Construction Document Approval	1/1/2001	10/10/2002	
Bid Opening	3/15/2001	3/8/2002	
Award of Contracts	4/18/2002	5/8/2002	
Construction Start	8/1/2002		
Report of Award to B/T	11/1/2001	2/7/2003	
Completion	3/31/2003	8/23/2004	

FUNDING INFORMATION:

Future University Bond Issues	\$ -	\$ 69,590,000.00	
HB640 Line Item Appropriation	2,610,000	2,610,000	
Development-University Hospitals	63,790,000	10,000,000	
Total	\$ 66,400,000	\$ 82,200,000	

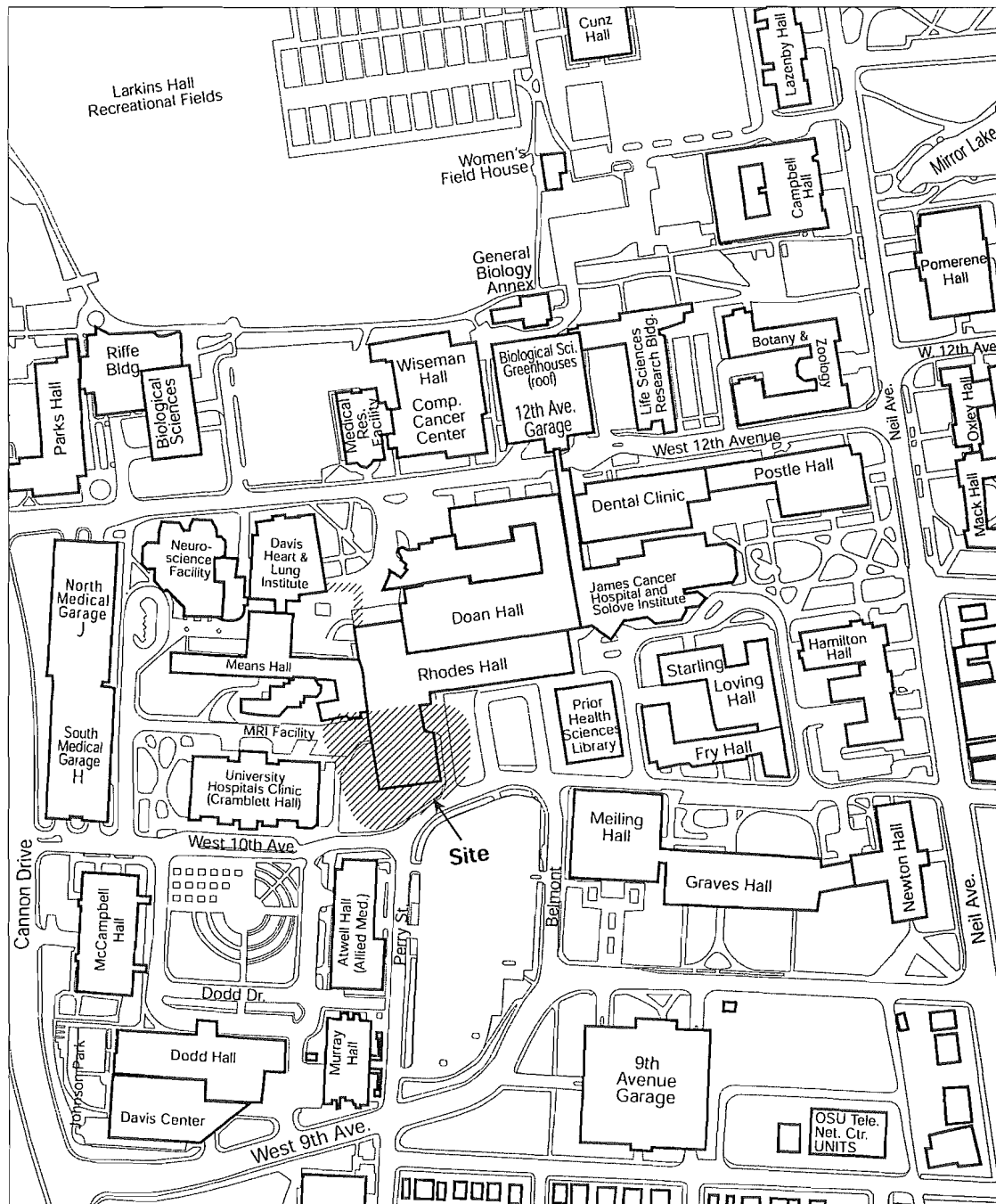
USES:

Constr. Mgr.	\$ -	\$ 2,805,000	
Construction	37,000,000	51,000,000	
Cont. Medical	-	37,764	
Contingency	4,181,000	6,700,000	
Design	2,775,000	4,395,236	
Equipment	22,000,000	16,650,000	
Univ. Administration	444,000	612,000	
Total	\$ 66,400,000	\$ 82,200,000	

COMMENTS:

Site - Rhodes Hall Auditorium. Project is anticipated to be bid in multiple phases starting in March 2001. The milestone dates reflect the first phase start and the third phase completion. Project budget increased because of the site relocation from the Neuropsychiatric facility to a new building on the site of Rhodes Hall Auditorium which allows the building to function and operate more efficiently.

Heart Hospital



Office of Business and Finance
Office of Facilities Planning and Development

January 19, 2001

Ohio 4-H Center**315-2000-911****PROJECT CAPTAIN:**

Marjory Trishman Spangler, Facilities Planning & Development - Architecture, 292-5704

REQUESTING AGENCY:

OSU Extension

PROJECT LOCATION:**AGE:****GR. SQ. FT.:**

V0010-Site - See Comments.

PROJECT DESCRIPTION:

This project consists of the demolition of Dakan Hall and the planning, programming, design, FF&E, site planning and construction administration of the new Ohio 4-H Center. The new structure will include space for the OSU 4-H Youth Development staff, the OSU Extension programs, and those programs from the College of Food, Agricultural, and Environmental Sciences who will interact with 4-H. Outdoor program space, outdoor amenities, and parking is also included.

MILESTONES:

	Projected	Revised	Actual
Arch/Eng Approved B/T	3/1/2002		
Bidding Approved B/T	3/1/2002		
Arch/Engr Contract	7/1/2002		
Schematic Design Approval	9/30/2002		
Design Development Approval	11/25/2002		
Construction Document Approval	3/17/2003		
Bid Opening	5/6/2003		
Award of Contracts	6/16/2003		
Construction Start	6/16/2003		
Report of Award to B/T	8/1/2003		
Completion	7/1/2004		

FUNDING INFORMATION:

Ohio 4-H Foundation Board	\$	9,110,627		
Total	\$	9,110,627		

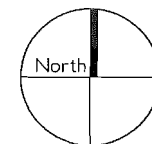
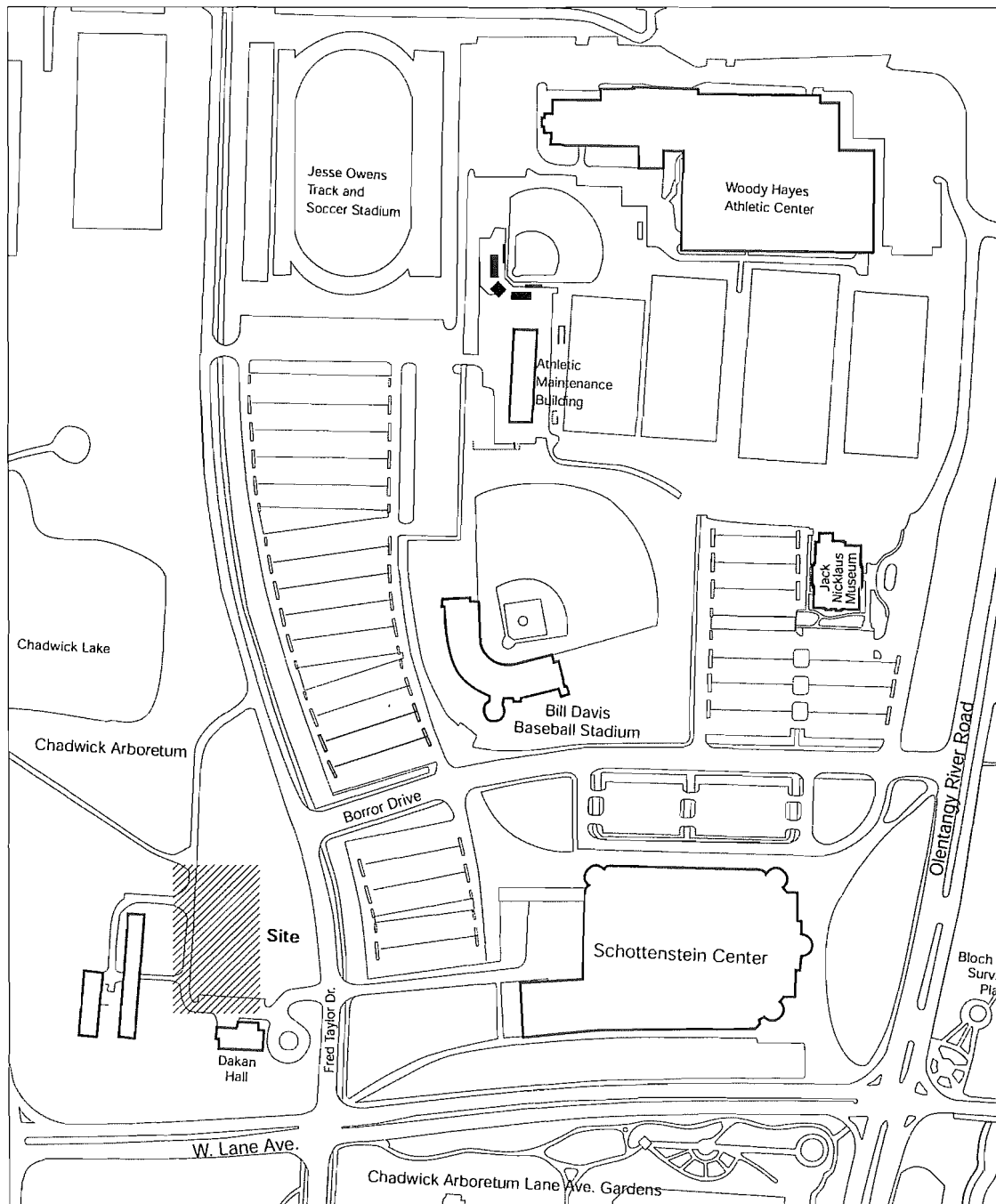
USES:

Construction	\$	6,628,751		
Contingency		1,126,888		
Design		596,588		
Equipment		662,875		
Moving		9,351		
Univ Administration		86,174		
Total	\$	9,110,627		

COMMENTS:

A study was made to determine whether renovating a current building or building a new facility would be the most feasible. Building to be constructed on the site north of the existing Dakan Hall.

Ohio 4-H Center



Office of Business and Finance
Office of Facilities Planning and Development

February 19, 2002

Multi-Purpose Turf Field**315-1999-188-2****PROJECT CAPTAIN:**

David L. Chapman, Facilities Planning & Development - Architecture, 292-5715

REQUESTING AGENCY:

Recreation and Intramural Sports

PROJECT LOCATION:**AGE:****GR. SQ. FT.:**

O0000-Unidentified Mall, Plaza,Green-Col.

PROJECT DESCRIPTION:

Installation of a new 130 yard turf field sited on the northwest field of the Larkins four-field complex including installation of turf field lighting and filming platform. The outdoor artificial surface field will have a dual role in that it will not only be the practice field of for the marching band but it will also be scheduled for club sports through the Department of Recreational Sports. Multiple field striping overlaid on top of each other, differentiated by color, will allow the field to be used for men's and women's soccer, lacrosse and field hockey, as well as flag football. In addition, the field will also be equipped with an outdoor lighting system which will extend the use of the field significantly.

MILESTONES:

	Projected	Revised	Actual
Arch/Eng Approved B/T	3/1/2002		
Bidding Approved B/T	3/1/2002		
Construction Document Approval	2/26/2002		
Bid Opening	4/16/2002		
Award of Contracts	6/4/2002		
Construction Start	6/11/2002		
Report of Award to B/T	7/12/2002		
Completion	9/17/2002		

FUNDING INFORMATION:

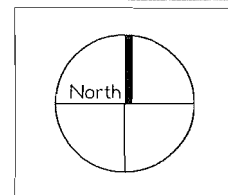
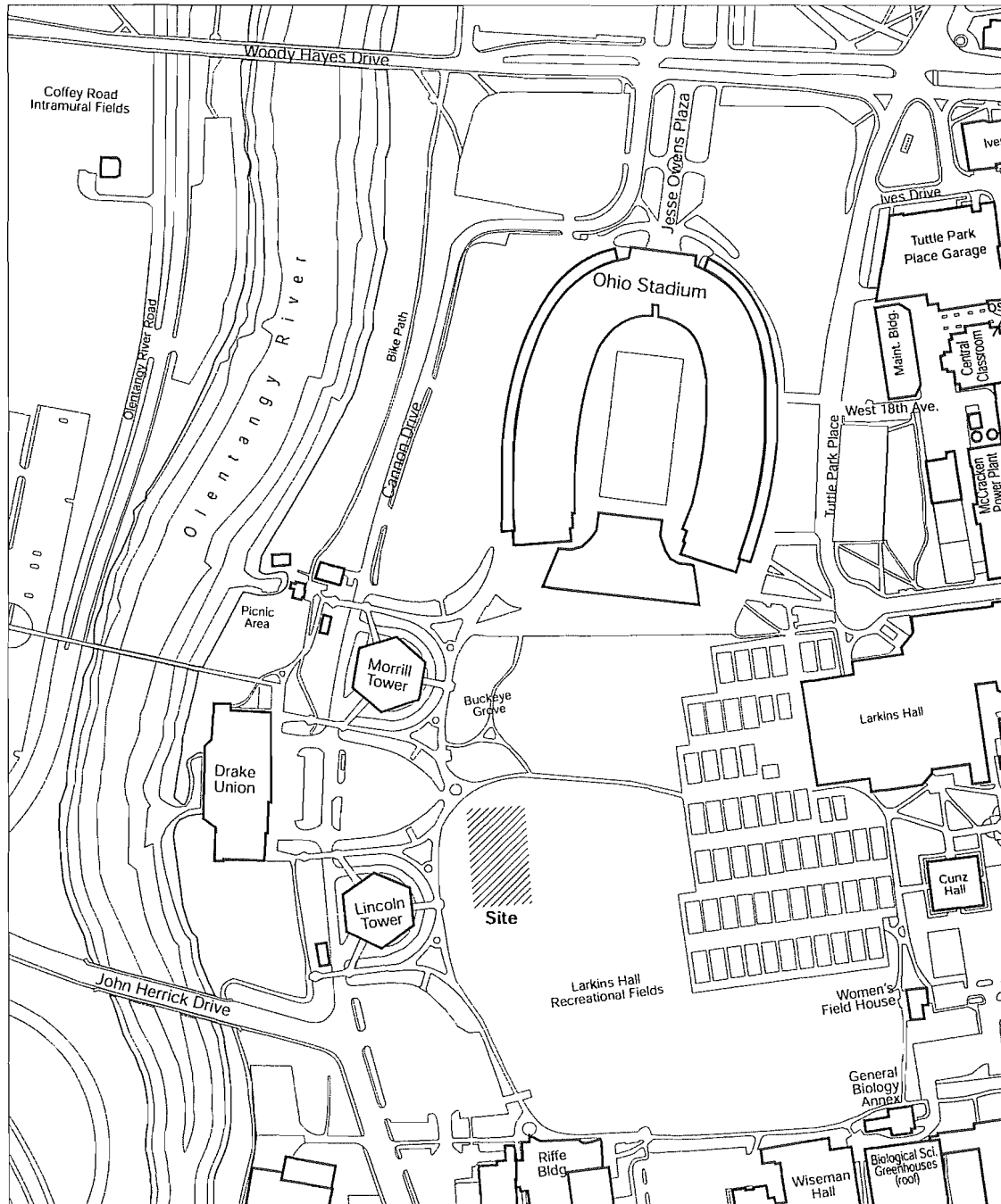
Future Univ. Bond Issues	\$	264,000		
Gift Monies - Coca Cola		140,000		
Development-Business & Admin		671,000		
General Funds-Business & Admin		150,000		
Total	\$	1,225,000		

USES:

Construction	\$	1,018,010		
Contingency		114,758		
Design		79,868		
Univ. Administr		12,364		
Total	\$	1,225,000		

COMMENTS:

Multi-Purpose Turf Field



Office of Business and Finance
Office of Facilities Planning and Development

February 15, 2002

Lab Animal Facility Expansion

315-2001-932

PROJECT CAPTAIN:

Jack Bargaheiser, Facilities Planning & Development - Architecture, 247-7607

REQUESTING AGENCY:

Office of Research

PROJECT LOCATION:

0201-LABORATORY ANIMAL CENTER BUILDING 1

AGE:

1971

GR. SQ. FT.:

23,811

PROJECT DESCRIPTION:

Building #1 at the Lab Animal Facility, Godown Road was built in 1972. The building is not adequate to house animals requiring closely monitored HVAC and light requirements. The ULAR is proposing that three modular buildings be used to house animals of the LAC. Electric, water, and sewage hookups, a concrete pad, outside lighting, security hookups and a covered pathway to Building.

MILESTONES:

	Projected	Revised	Actual
Constr Mgr Approved B/T	3/1/2002		
Construction Document Approval	3/18/2002		
Construction Start	3/29/2002		
Report of Award to B/T	12/6/2002		
Completion	4/29/2002		

FUNDING INFORMATION:

General Funds-Research	\$	500,000	\$	-	\$	-
Total	\$	500,000	\$	-	\$	-

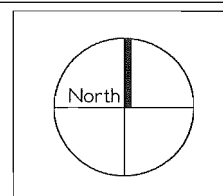
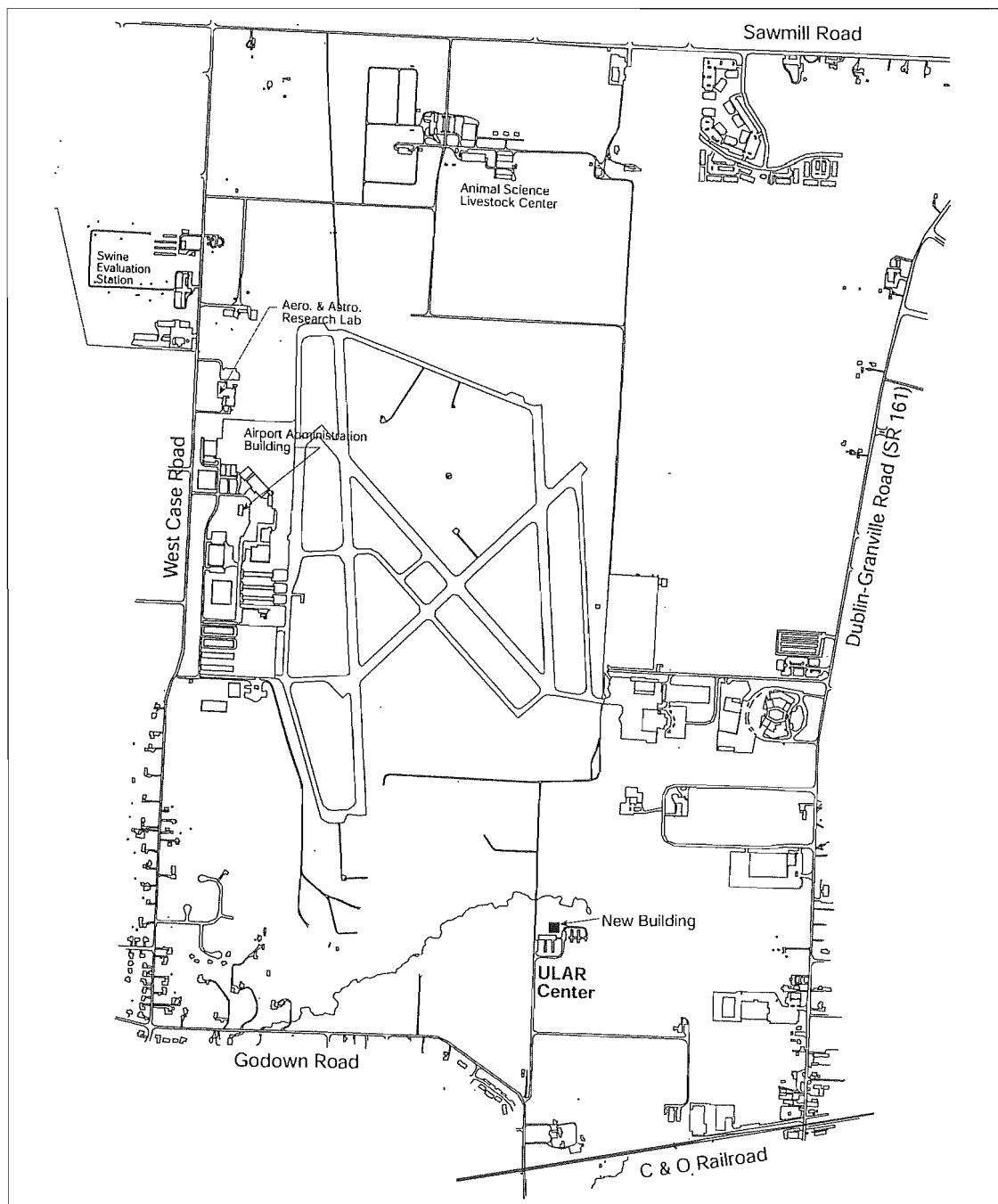
USES:

Construction	\$	459,894	\$	-	\$	-
Contingency		33,476				
Univ. Administr		6,630				
Total	\$	500,000	\$	-	\$	-

COMMENTS:

Project formerly known as 50700-R011661.

Laboratory Animal Facility Expansion



Office of Business and Finance
Office of Facilities Planning and Development

February 7, 2002

PROJECT CAPTAIN:

Marjory Trishman Spangler, Facilities Planning & Development - Architecture, 292-5704

REQUESTING AGENCY:

ATI Administration

PROJECT LOCATION:

AGE:

GR. SQ. FT.:

V0008-Various Locations-ATI

PROJECT DESCRIPTION:

Complete the exterior courtyard including landscaping. This is the final phase of the Shisler/CEED Project.

MILESTONES:

	Projected	Revised	Actual
Arch/Eng Approved B/T	3/1/2002		
Bidding Approved B/T	3/2/2002		
Arch/Engr Contract	4/12/2002		
Construction Document Approval	5/17/2002		
Bid Opening	6/15/2002		
Construction Start	8/5/2002		
Report of Award to B/T	12/6/2002		
Completion	10/31/2002		

FUNDING INFORMATION:

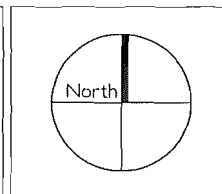
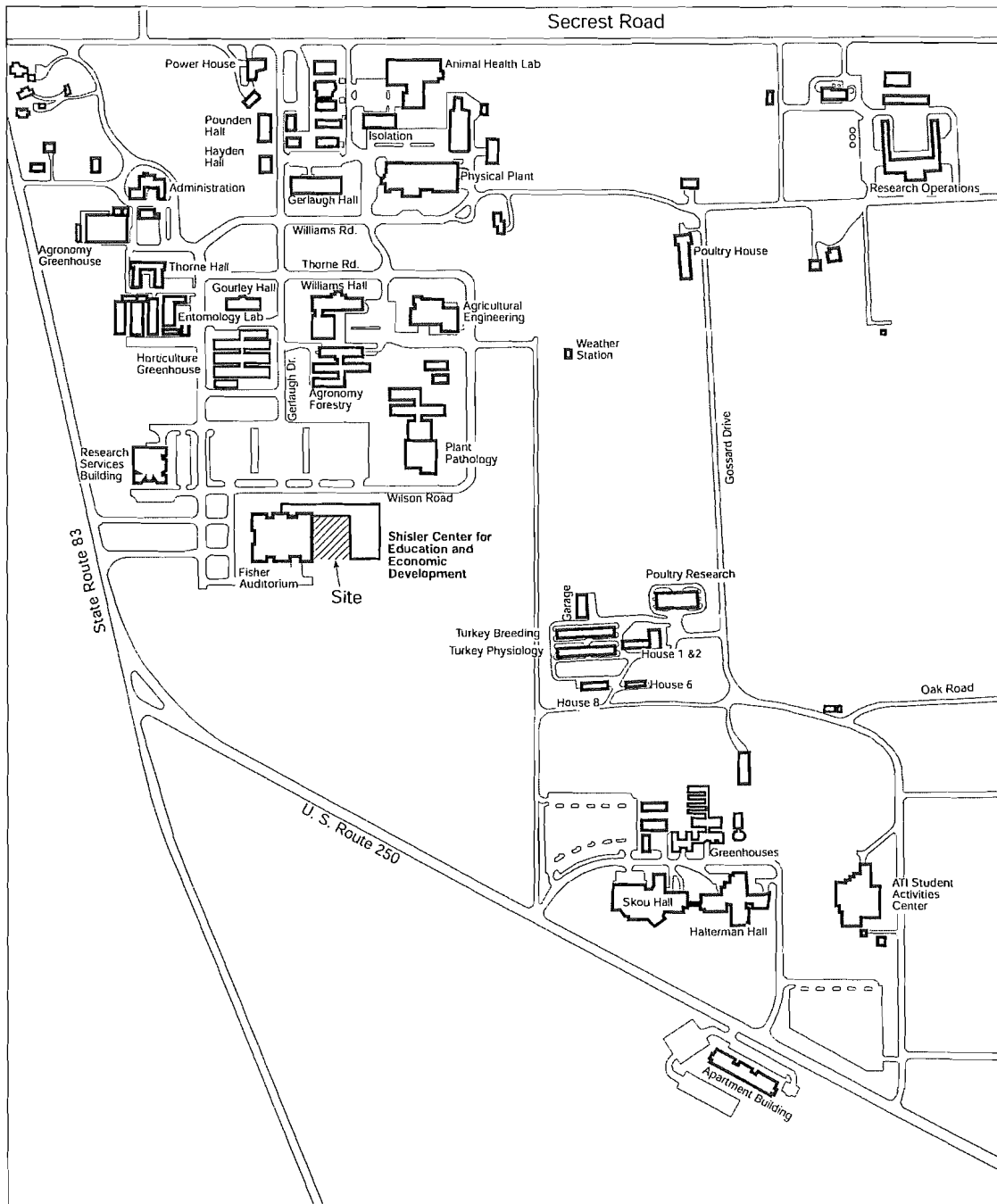
HB640 ATI Basic-Renovations	\$	300,000	\$	-	\$	-
Total	\$	300,000	\$	-	\$	-

USES:

Construction	\$	255,975	\$	-	\$	-
Contingency		24,827				
Design		15,359				
Univ. Administr		3,840				
Total	\$	300,000	\$	-	\$	-

COMMENTS:

ATI - Shisler Center Courtyard



Office of Business and Finance
Office of Facilities Planning and Development

February 7, 2002

(APPENDIX XXX)

MAINTENANCE AND RENEWAL OF UNIVERSITY FACILITIES

Strategic Principles

1. Ensuring the ongoing maintenance and renewal of our facilities is an important element of the Academic Plan.
2. This applies to new buildings as well as existing buildings.
3. Funding for replacement and renewal of existing General Funds space assigned as of FY 2000 is the responsibility of the University.
4. Funding of replacement and renewal of additional General Funds space added after FY 2000 is the responsibility of the unit, regardless of funding source.
5. Funding for all non-General Funds space is the responsibility of the respective vice presidential area, regardless of when the space was built.
6. In most cases, each unit should plan to set aside 2% of the original construction cost or its equivalent annually to assure sufficient resources to comply with this policy.

(APPENDIX XXXI)

Memorandum

Subject: Revision to Board of Trustee Purchasing Policy

Date: February 21, 2002

From: Joanne Markiewicz

To: Helen DeSantis

Background

As a part of continuous review and improvement of the University's purchasing policies and practices, we have recently completed a review of the Board of Trustee policies with Legal Affairs.

Rationale

- This resolution is an effort to maintain consistency with the practices of the State of Ohio, and provides for guaranteed lowest pricing and consistent contract terms and conditions.

Resolution:

The President and/or Senior Vice President for Business and Finance is authorized on behalf of the University, on a continuing basis, to purchase without competitive bidding, equipment, materials, supplies, or services through participation in State of Ohio term schedules in which the vendor guarantees that the State will receive the lowest price as offered to the Federal government and in which the vendor agrees to accept all of the State's terms and conditions.

- This resolution provides University departments with an opportunity for product selection while still preserving the integrity, imperatives and benefits of the competitive bid process; satisfies those instances where one vendor may not be able to meet the needs of the entire University; and, maintains consistency with the practices of the State of Ohio.

Resolution:

For any contract authorized by the University's policy on purchasing, the University is authorized to make multiple awards as provided for in the University's requests for bids or proposals.

Request

Approval to submit Board of Trustee competitive bid purchasing policy recommendations.

Approval

[signed by Helen DeSantis, 21 February 2002]

Helen DeSantis, Assistant Vice President

Date

(APPENDIX XXXII)

**Fiscal Affairs Committee
The Ohio State University Board of Trustees
March 1, 2002**

TOPIC:

Second Quarter Budget Report

CONTEXT:

This is the second in a series of quarterly reports for FY 2002

HIGHLIGHTS:

- State Instructional Support for the Columbus Campus was increased by \$1.9 million in December to reflect higher than estimated enrollments and reduced by \$19.4 million as a result of the 6% executive budget cut.
- Regional Campus Instructional Support and other state line items were also reduced by 6% or \$8.9 million
- Summer, Autumn and Winter Quarter enrollments were higher than projected (Attachment A)
 - ✓ Total enrollments up 1.6%
 - ✓ Financial impact is an increase in instructional and general fee revenues above the first quarter budget adjustments of \$3.6 million or just under .5% of the General Funds Budget. This adjustment is \$1 million above what was anticipated in the budget projections used in the February 1 presentation to the Board on tuition options.
- Indirect Cost Recoveries from sponsored programs through the first six months are higher than projected.
 - ✓ Indirect Cost Recoveries up 17%.
 - ✓ Financial impact is projected to be \$8-10 million.
 - ✓ These moneys are earmarked by university policy for investment in research infrastructure and possible distribution to the colleges in FY 2003 in accordance with the principals of Budget Restructuring.
- Ohio State University Health System finances are improving compared to last year but are below budget. (Attachment B)
 - ✓ First six months minus \$5.3 million compared to:
Minus \$7.6 million last year
Plus \$1 million budget target
 - ✓ Strong January results will help offset weaker than expected December results.
- Athletics is meeting financial targets but will continue to be monitored. The Schottenstein Center is meeting revenue projections but sharply increased utility costs may adversely affect year-end results.
- Other General Funds and Earnings budgets are being realigned to more closely reflect actual income and expenditures.

RECOMMENDATIONS:

- Revise the Current funds budget as of the second quarter to reflect revenue and expenditure adjustments outlined above.
- Freeze spending of additional resources until solution to the FY 2003 budget challenge is determined.
- Method and timing to replenish the Rainy Day Fund still to be determined.

REQUESTED OF FISCAL AFFAIRS COMMITTEE:

Approval of the second quarter budget resolution.

Headcount Enrollments Summer & Autumn 2001 and Winter 2002

Category	Projected ¹	Actual ²	Difference	% Change
Undergraduate	80,719	82,100	+1,381	+1.7%
Graduate	25,738	25,883	+147	+0.6%
Professional	6,690	6,967	+277	+4.1%
Total	113,147	114,950	+1,803	+1.6%

NOTE: Includes total of Summer, Autumn and Winter Quarters

SOURCE: Resource Planning and Institutional Analysis

¹ Projected in May 2001 for FY 2002 budget.

² Reflects 14th day enrollment counts

THE OHIO STATE UNIVERSITY HEALTH SYSTEM FINANCIAL SUMMARY

YTD Ending December 31, 2001
(In Thousands)

	Actual 2002 (6 Months)	Budget 2002 (6 Months)	Actual 2001 (6 Months)
Net Patient Revenue	322,309	310,516	276,450
Other Income	21,435	21,775	19,582
Total Income	343,744	332,291	296,032
Expenses	349,060	331,249	303,656
Revenue Over Expenses	-5,316	+1,042	-7,620

SOURCE: The Ohio State University Health System
February 11, 2002

SUMMARY OF BUDGETED RESOURCES AND EXPENDITURES
FY 2002 SECOND QUARTER BUDGET REPORT
(In Thousands)

Resources

Government Support
Student Fees
Auxiliaries
Hospitals
Other

Total Resources

Expenditures

Instructional & General
Auxiliaries
Hospitals
Other

Total Expenditures

Net

One Time Adjustments

College/Office Reallocation
Use of Rainy Day Fund
Other Central Funds
Net After Adjustments

Original Budget			2nd. Quarter Budget Revision			Difference		
General Funds	Other Funds	Total	General Funds	Other Funds	Total	General Funds	Other Funds	Total
404,109	329,698	733,807	391,286	323,771	715,057	(12,823)	(5,927)	(18,750) (1)
387,827	8,935	396,762	396,919	8,935	405,854	9,092	0	9,092 (2)
	170,079	170,079		170,079	170,079	0	0	0
	725,040	725,040		725,040	725,040	0	0	0
35,547	254,388	289,935	40,127	264,388	304,515	4,580	10,000	14,580 (3)
827,483	1,488,140	2,315,623	828,332	1,492,213	2,320,545	849	4,073	4,922
736,680	167,727	904,407	756,249	174,800	931,049	19,569	7,073	26,642 (4)
1,439	175,904	177,343	1,439	175,904	177,343	0	0	0
	732,869	732,869		732,869	732,869	0	0	0
88,796	404,109	492,905	81,496	404,109	485,605	(7,300)	0	(7,300) (5)
826,915	1,480,609	2,307,524	839,184	1,487,682	2,326,866	12,269	7,073	19,342
568	7,531	8,099	(10,852)	4,531	(6,321)	(11,420)	(3,000)	(14,420)
								(6)
						8,517		8,517
						5,000		5,000
						4,029		4,029
568	7,531	8,099	(10,852)	4,531	(6,321)	6,126	(3,000)	3,126 (7)

- (1) General Funds: +\$1.9M Columbus Campus Subsidy for enrollment changes, +\$7.7M in indirect cost recoveries, -\$19.4M (6%) Columbus Campus budget cut, -\$1.2M (6%) Regional Campus budget cut, -\$1.8M (6%) line item appropriation cuts.
Other Funds: -\$5.9M (6%) in other restricted State line item appropriations.
- (2) General Funds: +\$9.1M in Columbus Campus Fee Income due primarily to an increase in undergraduate enrollments.
- (3) General Funds: +\$2.6M increase in Private Grants Indirect Cost Recoveries, +\$2.0M in Endowment Income to align with Budget vs Actual.
Other Funds: +\$10M in Earnings Departmental Sales & Services to reflect increased activity over budget.
- (4) General Funds: -\$1.2M in Regional Campus expenditures due to a reduction in Instructional Subsidy, -\$1.8M due to line item appropriation cuts, +\$10.3M for commitments against the increase in indirect cost recoveries, +\$7.3M from Other Expenditures to align with Budget vs Actual. +1.8m for additional graduate fee authorizations associated with increased graduate enrollments, +\$2M in additional unrestricted Endowment related expenditures, +\$1.2M additional Revenue Enhancement for Professional Schools due to increased enrollments.
Other Funds: +\$13M in Earnings I&G to align with increase expenditures, -\$5.9M to reflect the reduction in restricted State line item appropriations.
- (5) General Funds: -\$7.3M Adjustments to realign the budget to actual between Other and Instructional & General Expenditures.
- (6) One-Time Sources: The budget shortfall will be made up from one-time sources.
- (7) Net After Adjustments: The \$6.1M increase in the General Fund is due to the fee increases and will be held central pending possible additional state budget cuts.

Summary of Proposed University Staff Severance Program

Rationale

The university has traditionally provided working notice based on years of service as the informal mechanism for supporting staff whose positions are abolished. This proposes the adoption of a formal severance pay program with guidelines outlining appropriate working notice periods and severance pay schedule. This will ensure consistent economic support for all eligible staff and assist everyone concerned with a speedier transition process. We also believe this is an important program for an employer aspiring to achieve world-class human resource practices and desiring to communicate positive values to staff.

Eligibility

- Regular Unclassified staff at 50% FTE (full-time equivalent) or greater who are involuntarily terminated due to reduction in force. Seasonal employees are not included in the program.
- Regular Classified Civil Service staff at 50% FTE or greater who experience job abolishment, and are either involuntarily terminated or volunteer to terminate rather than exercise bumping rights. Seasonal employees are not included in the program.
- The severance pay program does not apply in any case where a staff member is being terminated for performance reasons or other appropriate cause.

Staff appointments funded by external grants and contracts are not eligible. Appointments on all other funding sources are eligible. See policy for final eligibility details.

Program Design Overview

- Eligible employees are entitled to a base of two weeks plus one and one-half weeks for each completed year of continuous service with the university. A maximum of 26 weeks has been established (see *Attachment A, page 2*).
- Severance pay, healthcare benefits, retirement benefits (subject to retirement system and IRS regulations) will continue for the time period noted on the schedule. Employees will be eligible for other benefits as outlined in the policy. Severance and benefits will cease if/when the individual receives other employment, or when the maximum benefit is achieved.
- This program entitles a benefit based upon years of service that combines periods of working notice and pay continuation. A minimum notice period of two weeks has been established for the university. Units are provided discretion to divide the total weeks of notice and severance pay in a way that best meets their needs. However, working notice may not exceed two-thirds of the total weeks of severance benefits unless agreed by the staff member.
- The amount of severance pay will be determined by an individual's base pay and FTE level. Severance pay will be paid monthly or biweekly (based upon the individual's appointment at the time of reduction) and will reflect all applicable deductions including taxes and benefits.
- Severance payment costs will be borne by the employing department.

University Staff Severance Program Schedule

The following schedule details the working notice period and severance pay that eligible individuals will receive if involuntarily terminated due to reduction in force. Eligible employees are entitled to a base of two weeks plus one and one-half weeks for each completed year of service with the university, up to a maximum of 26 weeks.

Completed Years of Service	Total Weeks of Severance Benefits	Minimum Working Notice Period	Maximum Pay*
1 or less	3.5	2	2
2	5	2	3
3	6.5	2	5
4	8	2	6
5	9.5	2	8
6	11	2	9
7	12.5	2	11
8	14	2	12
9	15.5	2	14
10	17	2	15
11	18.5	2	17
12	20	2	18
13	21.5	2	20
14	23	2	21
15	24.5	2	23
16 +	26	2	24

***Pay for half weeks has been rounded up to next whole week**

All severance pay will be determined by an individual's base pay, paid pursuant to payroll practices and will reflect deductions for applicable taxes and benefit deductions.

Summary of Proposed University Health System Severance Program

Eligibility

- Regular Unclassified staff at 50% FTE (full-time equivalent) or greater who are involuntarily terminated due to reduction in force. Seasonal employees are not included in the program.
- Regular Classified Civil Service staff at 50% FTE or greater who experience job abolishment, and are either involuntarily terminated or volunteer to terminate rather than exercise bumping rights. Seasonal employees are not included in the program.
- The severance pay program does not apply in any case where a staff member is being terminated for performance reasons or other appropriate cause.

Staff appointments funded by external grants and contracts are not eligible. Appointments on all other funding sources are eligible. See policy for final eligibility details.

Program Design Overview

- Eligible employees are entitled to one week of severance for each completed year of continuous service with the university/university health system. A maximum of 25 weeks has been established.
- Severance pay, healthcare benefits, retirement benefits (subject to retirement system and IRS regulations) will continue for the working notice/severance period. Employees will be eligible for other benefits as outlined in the policy. Severance and benefits will cease if/when the individual receives other employment, or when the maximum benefit is achieved.
- This program entitles a benefit based upon years of service that combines periods of working notice and pay continuation. A minimum notice period of 30 days has been established for the health system. Departments are provided discretion to divide the total weeks of notice and severance pay in a way that best meets their operational needs.
- The amount of severance pay will be determined by an individual's base pay and FTE level. Severance pay will be paid monthly or biweekly (based upon the individual's appointment at the time of reduction) and will reflect all applicable deductions including taxes and benefits.
- Severance payment costs will be borne by the employing cost center/department.